

**AGENDA - Corrected**  
**EXECUTIVE FINANCE COMMITTEE**  
December 7, 2016 at 1:30 P.M.

**Location:** Treasury Conference Room, KC Admin. Bldg., Room 610 (6<sup>th</sup> Floor)

***Committee Members: Councilmember Dave Upthegrove, Chair, Dwight Dively, Director PSB; Ken Guy, Director FBOD; Caroline Whalen, County Administrative Officer***

***Staff: Scott Matheson, Treasury Operations Manager; Mike Smith, Chief Investment Officer; Christine Denis, Credit Analyst; Manny Cristobal, Financial Accounting Supervisor***

**AGENDA ITEMS**

1. **Action:** Approval of Minutes of the October 26, 2016 Executive Finance Committee meeting (page 3)
2. **Action: Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code):** Approval of a request from the Long Term Lease Fund 3310 to borrow \$2 million through December 31, 2020. (pages 4-8)  
*Elissa Benson, Deputy Director Facilities Management Division*
3. **Action: Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code):** Approval of the requests for interfund loans for the County Road Major Maintenance Fund 3855 for \$8 million and for the Road Construction Fund 3865 for \$2 million. Both loans are requested through December 31, 2018. (pages 9-14)  
*Eric Christensen, Financial Services Administrator, Road Services Division*
4. **Action: Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code):** Approve the request from the Public Health Fund (1800) to decrease the dollar amount of their existing interfund loan from \$40 million from \$15 million and to extend the repayment date to December 31, 2017. (pages 15-17)  
*Alex Yoon, CFO, Public Health*
5. **Action:** Approval of the “Official Intent” motion concerning expenditures associated with the public defense legal settlement. (page 18)  
*Aaron Rubardt, Financial Planning Manager, PSB*
6. **Action: Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code):** Approve the request from the Risk Abatement Fund 1396 to borrow up to \$10.5 million through June 30, 2017. (pages 19-20)  
*Aaron Rubardt, Financial Planning Manager, PSB*
7. **Action:** Approval of the “Official Intent” motion concerning anticipatory remedial action associated with the defeasance of all the Limited Tax General Obligation Bonds, 2010E (Federally Tax-Exempt). (page 21-22)  
*Nigel Lewis, Senior Debt Analyst, FBOD*
8. **Action:** Designate lending fund(s) for outstanding interfund loans where a lending fund has not been designated (Handout).  
*Cheryl Lee, Chief Accountant*
9. **Action:** Motion to clarify the investment team’s ability to purchase commercial paper and all other authorized investment types for any issuer on the credit list. (page 23).  
*Christine Denis, Credit Analyst*
10. **Briefing:** Long-term Investment Option - Update  
*Mike Smith, Chief Investment Officer*
11. **Briefing:** September 2016 Investment Summary
  - Issuer Diversification , Credit Exposure and Compliance Report (page 24)
  - King County Investment Pool Yield & Duration versus Custom Benchmark (page 25)
  - Detailed Transaction Report - Investment Activity Summary (page 26)
  - King County Investment Pool Asset Allocation (page 27)
  - King County Investment Pool Maturity Distribution (page 28)
  - Investment Performance Review & Impaired Pool Summary (pages 29-37)
  - Interest Rate Summary (page 38)*Mike Smith, Chief Investment Officer*

12. Action: Committee's direction for investment of idle cash balances of specific County funds not needed for immediate expenditure.

Staff Recommendation: Direct the Treasury Section to target the maximum average duration of the King County Investment Pool at the 0.8 to 1.3 year range.

*Mike Smith, Chief Investment Officer*

13. Briefing: Interfund Borrowing for October 2016 (page 39)

- Interfund Interest Report – County Tier 2 Funds
- Pooled Tier 1 County Funds with Negative Cash Balances
- Excluded County Funds with Negative Balances – Tier 2 Funds Not Paying Interest

*Manny Cristobal, Financial Accounting Supervisor*

- Interfund Loans Among District & Non-County Funds (page 40)
- Interfund Borrowings – EFC Approved Loans (page 41)

*Mike Smith, Chief Investment Officer*

#### **OTHER BUSINESS**

#### **ADJOURNMENT**

**MINUTES**  
**EXECUTIVE FINANCE COMMITTEE**  
**October 26, 2016**

The Executive Finance Committee (EFC) Meeting was held October 26, 2016 at 1:30 and adjourned at 2:30 p.m.

**Members Present**

Dwight Dively  
Caroline Whalen  
Ken Guy

**Others Present**

Andrew Kim  
Gary Prince  
Dan Kaplan  
Paul Wentink, US Bank  
Yvonne Blumenthal, US Bank  
Kimbra Wellock, US Bank  
John Molloy, PFM (by phone)

**Others Present -**

**Continued**

Mike Smith  
Scott Matheson  
Peggy Pahl  
Dave Reich  
Manny Cristobal  
Scott Faires, IPAC

**Members Absent**

Dave Upthegrove

**ACTION ITEMS**

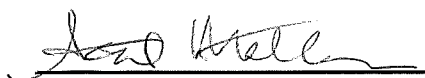
1. **Minutes** – The Committee unanimously approved the Minutes of the September 28, 2016 Executive Finance Committee meeting.
2. **Investment Direction** – The Committee unanimously approved the Treasury recommendation to maintain the maximum effective duration of the King County Investment Pool in the 0.8 to 1.3 year range.

**BRIEFINGS**

1. **Community Reinvestment Plan for King County** – US Bank presented a report summarizing its commitment to providing lending, investment, and services to low-to-moderate income people within King County. They also discussed their commitment to providing financial education programs to students in K-12 schools and to providing banking services to the underbanked through programs like their Safe Debt Account.
2. **Quarterly Review of Investment Pool** – John Molloy of PFM presented the third-quarter review of the King County Investment Pool. He provided the Committee with an overview of market conditions in the third quarter. In his assessment of the pool's condition he noted that the pool had performed very well. He pointed out the pool's high level of liquidity, good diversification, and strong credit quality. He discussed the recent changes made to the Washington State Investment Board's (WSIB) policy for commercial paper and corporate notes. He noted that the pool was in compliance with its policy, but this was due in part to the EFC's passage of a grandfather clause to deal with the more restrictive issuer limits imposed by the WSIB. Finally, he commented that the pool's duration was a little longer than in the prior quarter, but that overall, not a lot had changed with the portfolio and the pool was positioned well for rising rates, which is likely to happen at the December Fed meeting.
3. **Long-term Investment Option** – The Committee was briefed on the results of a survey of pool participants' interest in a long-term investment option. Responses were received from 36 districts (14 water/sewer districts, 10 school districts, 6 fire districts, and 6 in the "other" category). Of the 36 respondents, 10 were somewhat or very interested in the long-term option, while the rest were either neutral or unlikely to use this option. From the survey it appeared that demand for the long-term option might be in the range of \$100 to \$250 million, and when the potential demand from County agencies is added, the total demand could be in the range of \$200 to \$450 million. The Committee was informed that the additional input would be gathered from pool participants at the November 3 Investment Pool Advisory Committee (IPAC) meeting.
4. **September 2016 Investment Summary** – The Committee was provided a summary report showing the pool was in compliance with all its policies, reviewed investment performance, and monthly investment activity. In addition, the Committee reviewed the distribution of investment holdings by maturity, security type, credit rating, and issuer. The Committee was updated on the payments received from the VFNC Trust investment. Committee was also briefed on the current interest rate and economic environment.
5. **September 2016 Interfund Borrowing** – The Committee was provided a review of both County and non-county interfund borrowing.

**OTHER BUSINESS**

None

  
Scott Matheson, Treasury Manager



## **King County**

### **Facilities Management Division**

**Anthony Wright, Division Director**

Department of Executive Services

500 Fourth Avenue, Room 800

Seattle, WA 98104

Phone: (206) 477-9352

Fax: (206) 205-5070

December 2, 2016

TO: Mike Smith, Investment Officer, Finance & Business Operations Division

FM: Anthony Wright, Division Director, Facilities Management Division

*sub for*

RE: Request for Executive Finance Committee Approval for Inter-fund Loan Borrowing

The purpose of this memorandum is to request the Executive Finance Committee's approval of inter-fund loan of \$2,000,000 to the Long Term Lease Fund 000003310. Additional amount is needed to refresh and reconfigure floor 2 and a small portion of floor 1 of the King Street Center (KSC Reconfiguration Phase 4). The original inter-fund loan of \$4,976,000 was allocated in the Building Repair & Replacement Fund 000003951.

The King Street Center Space Consolidation project has progressed through three phases which were successfully completed. As a result, the reconfiguration project has increased occupancy capacity on floors 3, 4, 7, and 8 by 226 workstations. This is comparable to adding a new floor to the building.

This interfund borrowing request would cover an unexpected Phase 4 of the project.

- Phase 1 of this project was reconfiguration of space for the Roads Division on a portion of the 3<sup>rd</sup> floor. This project was financed from the Major Maintenance Replacement Fund for \$444,175.
- Phase 2 was funded in the 2015/2016 budget and was slated to reconfigure both floors 7 and 8 for an amount of \$2,276,000. This project is financed from an interfund borrowing loan that the EFC approved in September 2015.
- Phase 3 was funded in the 2015/2016 amended budget to accelerate the consolidation on floors 3, 4, and 8 for a budget of \$2,275,593 for the demolition and reconfiguration on a portion of floor 3 and all of floors 4 and 8.
- Phase 4 of the project will be implemented and financed through the Long Term Lease Fund and results in a refreshment and reconfiguration to a small portion of the 1<sup>st</sup> floor and all of the 2<sup>nd</sup> floor of the KSC. The financing source being requested, if approved, would add \$2,000,000 to the existing interfund loan.

The 2015/2016 budget assumed that the King Street Reconfiguration Project was providing sufficient increases in building occupancy to deal with staff growth for DNRP and DOT over the next several years. Accordingly, the 1<sup>st</sup> and 2<sup>nd</sup> floors were considered surplus to the County's immediate needs and available for outside leasing. The DNRP and DOT staff growth forecasts have increased leading to a conclusion now that the vacant space on floors one and two are no longer surplus. The need for additional space is immediate and mission critical.

The King Street Center Space Consolidation project is primarily a reconfiguration project designed to achieve improved efficiencies on affected floors. It was anticipated that these efficiencies would create savings through reduced rent to KSC tenant agencies and leases with outside tenants, or use by County agencies who would otherwise be leasing outside space. As it turns out, the primary financial benefit of this project is to provide space at the KSC to agencies that would otherwise be leasing outside office space.

The approximate payback period of the KSC Space Consolidation project in its entirety is less than 5 years based on the assumption that reconfigured floors would be designed roughly 20 percent more efficient than before the project. A reconfigured 2<sup>nd</sup> floor will be roughly 30 percent more efficient and the small 1<sup>st</sup> floor space will be reconfigured to house 25 employees rather than the 8 previously housed. Thus the payback period for Phase 4 is even less than the earlier phases of the Project and the additional floor capacity 73 workstations will satisfy growth forecasts for the next two years.

The loan repayments of the interfund loan will be made using proceeds from the newly created Streamlined Rate Model. This model calculates charge rates for space that reflect all the County costs associated with that space including debt service and interfund loan repayments. This model was implemented with the adoption of the 2017/2018 Biennial Budget.

The table below provides a total costs summary of the King Street Center work space consolidation project and its financing sources.


	Project #	Amount	Financing source	Interfund loan request
KSC CONSOLIDATION PHASE 2 - CARPET & PAINT FLOORS 7,8	1124142	\$ 444,175	MMRF	
KSC CONSOLIDATION Phase 2- floors 7-8	1124156	\$2,275,593	Inter-fund loan-approved	\$ 2,276,000
KSC CONSOLIDATION Phase 3 - floors 3, 4,8	1126343	\$2,654,187	Inter-fund loan-approved	\$ 2,700,000
KSC CONSOLIDATION Phase 4 - floors 1, 2	1130789	\$2,000,000	Inter-fund loan-pending	\$ 2,000,000
<b>TOTAL</b>		<b>\$7,373,955</b>		<b>\$ 6,976,000</b>

Mike Smith  
December 2, 2016  
Page 3

I appreciate your consideration of this request. Please feel free to contact Dave Preugschat, Operations Manager, FMD, at (206) 477-9445 if you have questions or need additional information.

Cc: Scott Matheson, Treasure Manager, Finance & Business Operations Division, DES  
Hanh Mai, Finance & Administrative Services Manager, FMD, DES

## APPENDIX III – COUNTY FUND APPLICATION FORM

 <b>King County</b> <b>COUNTY FUND APPLICATION FOR INTERFUND LOAN</b>		
COUNTY FUND MANAGER CONTACT INFORMATION		
Fund name and number: Long Term Lease Fund / 000003310		
Fund Manager: Hanh Mai	Fund Manager Title: Finance & Administrative Services Manager	
Contact name (if different): Kathy Pravitz	Contact title: Business & Finance Officer III	
Phone: 477-9377	Fax: 205-5070	
BORROWING REQUEST DETAILS		
Fund name:	Fund number:	
Term of loan requested (projected start and end date): December 1, 2016 – December 31, 2020		
Is this a new loan request or a request to modify an existing loan? Request to modify an existing loan		
Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes", list the name of the reviewer: Sid Bender		
If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B		
PART A		
Provide both the fund name(s) and fund number(s) of the lending fund(s).		
Who has determined whether the lending fund(s) designated above is legally able to finance this loan?		
PART B		
For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : \$2,000,000		
ADDITIONAL INFORMATION		
<u>Why is this borrowing necessary?</u> To support Phase 4 of the KSC consolidation project. See attached memo for details.		
<u>What will be the source of the funds to repay the interfund loan?</u> The loan repayment will be from the revenues collected from rate payers through the streamlined rates. See attached memo for additional details.		
If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not bond issue. Nigel Lewis		
FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)		
Signature: 		
Print Name: Hanh Mai		
Title: Finance & Administrative Services Manager		
Date: 12/2/2016		
Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period. About \$0.48 per sqft charge will be collected from the 2019/2020 streamlined rates from KSC tenants to repay Fund 3310.		
Interfund loan approved? Yes <input type="checkbox"/> No <input type="checkbox"/>	Date Approved/Denied:	Loan interest rate:
Maximum interfund loan amount approved \$		Repayment date:
Other special loan terms or comments:		

	Yr 2017	Yr 2018	Yr 2019	Yr 2020	Yr 2021	Yr 2022	Yr 2023
Phases 1 - 3	\$1,010,178	\$1,010,178	\$1,010,178	\$1,010,178	\$1,010,178		
Phase 4			\$406,020	\$406,020	\$406,020	\$406,020	\$406,020
Per sqft rate							
Phases 1 - 3	\$1.24	\$1.24	\$1.20	\$1.20	\$1.20		
Phase 4			\$0.48	\$0.48	\$0.48	\$0.48	\$0.48
Total	<b>\$1.24</b>	<b>\$1.24</b>	<b>\$1.69</b>	<b>\$1.69</b>	<b>\$1.69</b>	<b>\$0.48</b>	<b>\$0.48</b>
Borrowing							
Phases 1 - 3	4,976,000						
phase 4	2,000,000						
Sq Ft 17/18	815,684						
Sq Ft Out Yr (2019/2010)	838,539						





**King County**

**Road Services Division**

Department of Transportation

November 23, 2016

TO: The Executive Finance Committee

VIA: Eric Christensen, Budget and Finance Supervisor

FM: Brenda Bauer, Director

RE: Request of Interfund Loan for Fund 3855 – Road Major Maintenance Fund

This memo is to request approval from the Executive Finance Committee for interfund borrowing to support cash flow in Road's capital fund 3855, Road Major Maintenance, using the Automated Interfund Borrowing system to provide uninterrupted funding.

Roads has a need for short term "line of credit" funding for cash flow that stems from the timing of property tax collections. As this is a new fund, the beginning balance will be zero at the start of the next year. This new fund was established by council to enhance the transparency of fund management and facilitate compliance with reporting requirements. Planned biennial project expenditures are not anticipated to exceed biennial appropriations.

Roads is requesting up to \$8 million through December 31, 2018. The borrowed amounts will be repaid from property tax receipts, grant reimbursements, and other revenue sources.


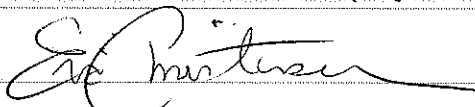
Thank you for consideration of this request.

cc: Harold S. Taniguchi, Director, Department of Transportation (DOT)  
Bill Greene, Chief Financial Officer, Director's Office, DOT  
Jay Osborne, Deputy Director, Road Services Division, DOT

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Interdepartmental Mail: KSC-TR-0313  
201 South Jackson Street, Seattle, WA 98104-3856  
206-296-6590 [admin.roads@kingcounty.gov](mailto:admin.roads@kingcounty.gov) [www.kingcounty.gov/roads](http://www.kingcounty.gov/roads)

**EXECUTIVE FINANCE COMMITTEE  
INTERFUND LOAN POLICY AND PROCEDURE  
APPENDIX III – COUNTY FUND APPLICATION FORM**

 <b>King County</b> <b>COUNTY FUND APPLICATION FOR INTERFUND LOAN</b>		
<b>COUNTY FUND MANAGER CONTACT INFORMATION</b>		
Fund name and number: 000003855 – County Road Major Maintenance Fund		
Fund Manager: Eric Christensen	Fund Manager Title: Budget & Finance Supervisor	
Contact name (if different):	Contact title:	
Phone: 206.477.3615	Fax: 206.296.0566	
<b>BORROWING REQUEST DETAILS</b>		
Fund name: County Road Major Maintenance Fund	Fund number: 000003855	
Term of loan requested (projected start and end date): 1/1/2017 – 12/31/2018		
Is this a new loan request or a request to modify an existing loan? New		
Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes", list the name of the reviewer: Discussed with Shelley DeWys and she concurred with the need for line of credit.		
If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B		
<b>PART A</b>		
Provide both the fund name(s) and fund number(s) of the lending fund(s).		
Who has determined whether the lending fund(s) designated above is legally able to finance this loan?		
<b>PART B</b>		
For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : (\$8,000,000)		
<b>ADDITIONAL INFORMATION</b>		
Why is this borrowing necessary? Short term funding for cash flow requirements in the months leading up to the receipt of property taxes in April and October.		
What will be the source of the funds to repay the interfund loan? Property tax receipts, grant reimbursements, and other revenue sources.		
If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? NA Yes <input type="checkbox"/> No <input type="checkbox"/>		
<b>FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)</b>		
Signature: 		
Print Name: Eric Christensen		
Title: Budget and Finance Supervisor		
Date: December 1, 2016		
Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period.		
Interfund loan approved? Yes <input type="checkbox"/> No <input type="checkbox"/>	Date Approved/Denied:	Loan interest rate:
Maximum interfund loan amount approved \$		Repayment date:

High Level Cash Flow Estimate

Fund 3855 – Roads Major Maintenance

2017 High Level Estimated Cash Flow

Project / Program	January	February	March	April	May	June	July	August	September	October	November	December
RSD CWP Quick Response	2,000,000											
Pavement (\$44million / 6 years, rounded up)			200,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000			
- High Risk Paving		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	
- White Center Overlay	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	1,000
- NE Stillwater Hill Rd Reconstruction	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	30,000
RSD CWP Drainage Preservation **	440,000	440,000	440,000	440,000	440,000	440,000	440,000	440,000	440,000	440,000	440,000	360,000
- RSD SE 162nd Ave @ 266th Court (Fairwood): Flood Control Concept Development Report												
- RSD David Powell Road Repair												
RSD CWP Guardrail Preservation	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
RSD CWP Bridge Priority Maint ***		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
- RSD Woodinville Duval Bridges Nos. 1136B & 1136C		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
- RSD Duval Bridge No. 1136A Scour Mitigation		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
- RSD Raging River No. 1008E Scour Mitigation		8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
- RSD Patton Bridge No. 3015		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
RSD CWP Clear Zone Safety	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		
RSD CWP High Collision Safety		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	
RSD CWP School Zone Safety	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	70,000
RSD CIP Oversight 3855			4,324			4,324			4,324			4,325
Total Monthly Spend	2,799,000	1,427,000	1,631,324	2,727,000	2,727,000	2,731,324	2,727,000	2,727,000	2,731,324	1,427,000	1,377,000	665,325
Accumulative Spend	2,799,000	4,226,000	5,857,324	8,584,324	11,311,324	14,042,648	16,769,648	19,496,648	22,227,972	23,654,972	25,031,972	25,697,297
Road Fund Contribution				15,600,000						15,572,318		
Contribution SWM				440,000	440,000	440,000	440,000	440,000	440,000	440,000	364,979	
REET Funds			375,000			375,000			375,000			375,000
Franchise Rents												
FCZ				65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Other Govts				30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total	0	0	375,000	16,135,000	535,000	910,000	535,000	535,000	910,000	16,107,318	459,979	470,000
Accumulative Revenue	0	0	375,000	16,510,000	17,045,000	17,955,000	18,490,000	19,025,000	19,935,000	36,042,318	36,502,297	36,972,297
	(2,799,000)	(4,226,000)	(5,482,324)	1,925,676	5,733,676	3,912,352	1,720,352	(471,648)	(2,292,972)	12,387,346	11,470,325	11,275,000

Deficit	5.5
Subsequent month timing	1.35 (2.7/2)
Total	6.85 >>>> Say \$8 million

2018 Estimated High Level Cash Flow

January	February	March	April	May	June	July	August	September	October	November	December
		200,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000			
	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	
			300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	
340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000
250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	70,000
80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		
30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	70,000
		4,324			4,324			4,325			4,325
980,000	1,130,000	1,334,324	2,730,000	2,730,000	2,734,324	2,730,000	2,730,000	2,734,325	1,130,000	1,080,000	1,014,325
26,677,297	27,807,297	29,141,621	31,871,621	34,601,621	37,335,945	40,065,945	42,795,945	45,530,270	46,660,270	47,740,270	48,754,595
			4,140,000						4,140,000		
190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000
			333,000	333,000	333,000	333,000	333,000	333,000	333,000	333,000	333,000
65,000	65,000	65,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
285,000	285,000	285,000	4,813,000	673,000	673,000	673,000	673,000	673,000	673,000	4,813,000	673,000
37,257,297	37,542,297	37,827,297	42,640,297	43,313,297	43,986,297	44,659,297	45,332,297	46,005,297	50,818,297	51,491,297	52,164,297
10,580,000	9,735,000	8,685,676	10,768,676	8,711,676	6,650,352	4,593,352	2,536,352	475,027	4,158,027	3,751,027	3,409,702





**King County**

**Road Services Division**

Department of Transportation

November 23, 2016

TO: The Executive Finance Committee

VIA: Eric Christensen, Budget and Finance Supervisor

FM: Brenda Bauer, Director 

RE: Request of Interfund Loan for Fund 3865 – Road Construction Fund

This memo is to request approval from the Executive Finance Committee for inter-fund borrowing to support cash flow in Road's capital fund 3865, Road Construction Fund, using the Automated Interfund Borrowing system to provide uninterrupted .

Roads has a need for short term "line of credit" funding for cash flow that stems from the timing of property tax collections. As this is a new fund, the beginning balance will be zero at the start of next year. This new fund was established by council to enhance the transparency of fund management and facilitate compliance with reporting requirements. Planned biennial project expenditures are not anticipated to exceed biennial appropriations.

Roads is requesting up to \$2 million through December 31, 2018. The borrowed amounts will be repaid from property tax receipts and grant reimbursements.


Thank you for consideration of this request.

cc: Harold S. Taniguchi, Director, Department of Transportation (DOT)  
Bill Greene, Chief Financial Officer, Director's Office, DOT  
Jay Osborne, Deputy Director, Road Services Division, DOT

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Interdepartmental Mail: KSC-TR-0313  
201 South Jackson Street, Seattle, WA 98104-3856  
206-296-6590 [admin.roads@kingcounty.gov](mailto:admin.roads@kingcounty.gov) [www.kingcounty.gov/roads](http://www.kingcounty.gov/roads)

**EXECUTIVE FINANCE COMMITTEE  
INTERFUND LOAN POLICY AND PROCEDURE  
APPENDIX III – COUNTY FUND APPLICATION FORM**

 <b>King County</b> <b>COUNTY FUND APPLICATION FOR INTERFUND LOAN</b>		
<b>COUNTY FUND MANAGER CONTACT INFORMATION</b>		
Fund name and number: 000003865 – King County Road Construction Fund		
Fund Manager: Eric Christensen	Fund Manager Title: Budget & Finance Supervisor	
Contact name (if different):	Contact title:	
Phone: 206.477.3615	Fax: 206.296.0566	
<b>BORROWING REQUEST DETAILS</b>		
Fund name: King County Road Construction Fund	Fund number: 000003865	
Term of loan requested (projected start and end date): 1/1/2017 – 12/31/2018		
Is this a new loan request or a request to modify an existing loan? New		
Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes", list the name of the reviewer: Discussed with Shelley DeWys and she concurred with the need for line of credit.		
If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B		
<b>PART A</b>		
Provide both the fund name(s) and fund number(s) of the lending fund(s).		
Who has determined whether the lending fund(s) designated above is legally able to finance this loan?		
<b>PART B</b>		
For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : (\$2,000,000)		
<b>ADDITIONAL INFORMATION</b>		
Why is this borrowing necessary? Short term funding for cash flow requirements in the months leading up to the receipt of property taxes in April and October.		
What will be the source of the funds to repay the interfund loan? Property tax receipts and grant reimbursements.		
If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? NA Yes <input type="checkbox"/> No <input type="checkbox"/>		
<b>FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)</b>		
Signature: 		
Print Name: Eric Christensen		
Title: Budget and Finance Supervisor		
Date: December 1, 2016		
Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period.		
Interfund loan approved? Yes <input type="checkbox"/> No <input type="checkbox"/>	Date Approved/Denied:	Loan interest rate:
Maximum interfund loan amount approved \$		Repayment date:

High Level Cash Flow Estimate

Fund 3865 -- Roads Construction

2017 High Level Estimated Cash Flow

Project / Program	January	February	March	April	May	June	July	August	September	October	November	December
RSD CWP Guardrail Construction	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	26,000
RSD Old Cascade/Miller Br West	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
RSD Old Cascade/Miller Br East	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	31,000
RSD Renton Ave Phase III Sidewalk	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	38,000
RSD Highline Sch Dist Imprvmnt	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	57,000
RSD SW 108 & 8 Ave SW Rndbt	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	19,000
RSD SE 176 & SE 171 Way Rndbt	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	2,000
RSD CIP Oversight 3865			1,761			1,761			1,761			1,762
Total Monthly Spend	212,000	212,000	213,761	212,000	212,000	213,761	212,000	212,000	213,761	212,000	212,000	199,762
Accumulative Spend	212,000	424,000	637,761	849,761	1,061,761	1,275,522	1,487,522	1,699,522	1,913,283	2,125,283	2,337,283	2,537,045
Road Fund Contribution	0	0	0	0	540,000	0	0	0	0	0	527,046	0
FEMA -- Miller River	0	0	0	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
Washington State	0	0	0	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000
Total	0	0	0	130,000	670,000	130,000	130,000	130,000	130,000	130,000	657,046	130,000
Accumulative Revenue	0	0	0	130,000	800,000	930,000	1,060,000	1,190,000	1,320,000	1,450,000	2,107,046	2,237,046
Accumulated (deficit)/balance	(212,000)	(424,000)	(637,761)	(719,761)	(261,761)	(345,522)	(427,522)	(509,522)	(593,283)	(675,283)	(230,237)	(299,999)

2018 Estimated High Level Cash Flow

January	February	March	April	May	June	July	August	September	October	November	December
79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	81,000
			75,000	100,000	300,000	300,000	300,000	300,000	150,000	150,000	325,000
			75,000	300,000	350,000	400,000	400,000	400,000	275,000	200,000	0
			75,000	400,000	450,000	450,000	450,000	450,000	250,000	175,000	0
		75,000	75,000	300,000	450,000	550,000	550,000	500,000	500,000	600,000	900,000
53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	47,000
23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	19,000
		1,761			1,761			1,761			1,762
155,000	155,000	231,761	455,000	1,255,000	1,706,761	1,855,000	1,855,000	1,806,761	1,330,000	1,280,000	1,373,762
2,692,045	2,847,045	3,078,806	3,533,806	4,788,806	6,495,567	8,350,567	10,205,567	12,012,328	13,342,328	14,622,328	15,996,090
				1,900,000					1,929,047		
54,000	54,000	54,000	54,000	150,000	400,000	650,000	700,000	700,000	700,000	425,000	350,000
76,000	76,000	76,000	76,000	150,000	700,000	900,000	1,000,000	1,000,000	950,000	750,000	775,000
130,000	130,000	130,000	130,000	2,200,000	1,100,000	1,550,000	1,700,000	1,700,000	3,579,047	1,175,000	1,125,000
2,367,046	2,497,046	2,627,046	2,757,046	4,957,046	6,057,046	7,607,046	9,307,046	11,007,046	14,586,093	15,761,093	16,886,093
(324,999)	(349,999)	(451,760)	(776,760)	168,240	(438,521)	(743,521)	(898,521)	(1,005,282)	1,243,765	1,138,765	890,003

Deficit	1
Subsequent month timing	0.65 (1.3 / 2)
Total	1.65 Say 2million

## APPENDIX III – COUNTY FUND APPLICATION FORM



**King County**

### COUNTY FUND APPLICATION FOR INTERFUND LOAN

#### COUNTY FUND MANAGER CONTACT INFORMATION

Fund name and number: Public Health Fund - 000001800

Fund Manager: Alex Yoon

Fund Manager Title: Chief Financial Officer

Contact name (if different):

Contact title:

Phone: 206-263-9042

Fax: 206-205-0947

#### BORROWING REQUEST DETAILS

Fund name: Public Health Fund

Fund number: 000001800

Term of loan requested (projected start and end date): 1/1/2017 – 12/31/2017

Is this a new loan request or a request to modify an existing loan? Request to modify an existing loan

Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes ☒ No ☐ If "Yes", list the name of the reviewer: Drew Pound

If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B

#### PART A

Provide both the fund name(s) and fund number(s) of the lending fund(s).

Who has determined whether the lending fund(s) designated above is legally able to finance this loan?

#### PART B

For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : \$15,000,000.00

#### ADDITIONAL INFORMATION

Why is this borrowing necessary?

Public Health worked diligently in 2016 to improve its financial position. PH was able to reduce deficits in both fund balance and cash balance through following efforts:

- Continued effort to reduce expenses in salaries, travel and training
- Three facility sales proceed, totaling \$4.6M
- Medicaid Administration revenue for billing periods in 2014 and 2015, totally about \$5M
- \$3.8M BSK Levy funding to Public Health Clinics
- An agreement with Harborview Medical Center resulting in \$5M revenue

By the end of 2015-16 biennium, PH projects an ending fund balance of \$1.8M deficit (an improvement from \$11.7M deficit earlier in the biennium); PH also projects 2017-18 biennial ending fund balance to be zero or better (compared to \$1.7M deficit on the adopted 2017-18 budget). Although the projected fund balance is moving in a positive direction, the lack of fund balance reserve in PH leads to this EFC loan in the amount of \$15M to ensure Public Health's ability to pay expenses. PH will continue to manage its operations and finances including pursuing strategies to avoid increasing the debt in 2019-20 and in the longer term to start building its fund balance reserves to allow paying expenses with available cash balance.

The \$15M maximum loan requested herein includes a 10% contingency reflected on estimated accounts payable with the remaining amount to cover any other unanticipated delays in the receipt of cash which could materialize over the forecast period.

What will be the source of the funds to repay the interfund loan?

Repayment will come from grant billings, including Medicaid Administration, and if approved by the Council from the proceeds of general fund real estate holdings no longer needed by the department.

If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes ☐ No ☒

FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)

Signature:

Print Name: Alex Yoon

Title: Public Health Chief Financial Officer

Date: 12/2/2016

**Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period.**

Interfund loan approved? Yes ☐  
No ☐

Date Approved/Denied:

Loan interest rate:

Maximum interfund loan amount approved \$

Repayment date:

Other special loan terms or comments:



Public Health Fund Projected Cash Balances October, 2016 to December, 2017

	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017
<b>Cash Balance, beginning of period</b>	<b>(15,327,697)</b>	<b>(11,319,001)</b>	<b>(4,850,724)</b>	<b>(3,682,821)</b>	<b>(9,114,544)</b>
Grant billings expected to be paid	16,581,000	16,044,000	16,044,000	16,044,000	16,044,000
Patient Generated Revenue	10,900,000	11,189,590	11,189,590	11,189,590	11,189,590
Harborview Medical Center Contract		5,000,000			
Best Start for Kinds (BSK)	174,000		12,748,519		12,748,519
Interfund Transfers (VHSL, MIDD, EMS, etc.)	3,350,000	1,493,263.00	1,493,263.00	1,493,263.00	1,493,263.00
Misc./Other Revenue		303,800	303,800	303,800	303,800
Medicaid Administrative Match billing	3,400,000	951,089	951,089	951,089	951,631
Proceeds from Sale of General Fund Real Estate*	4,375,000	1,900,000			
State of Washington public health block grant		6,148,893		6,148,893	
King County General Fund Transfer	7,035,572	6,197,514	6,197,514	6,197,514	6,197,514
<b>Estimated Cash Receipts Total</b>	<b>45,815,572</b>	<b>49,228,149</b>	<b>48,927,775</b>	<b>42,328,149</b>	<b>48,928,317</b>
Estimated Payroll	(26,375,814)	(22,872,360)	(22,872,360)	(22,872,360)	(22,872,360)
Estimated Accounts Payable	(15,431,062)	(19,887,512)	(24,887,512)	(24,887,512)	(24,887,512)
<b>Estimated Cash Disbursements Total</b>	<b>(41,806,876)</b>	<b>(42,759,872)</b>	<b>(47,759,872)</b>	<b>(47,759,872)</b>	<b>(47,759,872)</b>
<b>Estimated Cash Balance at end of period</b>	<b>(11,319,001)</b>	<b>(4,850,724)</b>	<b>(3,682,821)</b>	<b>(9,114,544)</b>	<b>(7,946,099)</b>

EXECUTIVE FINANCE COMMITTEE  
“OFFICIAL INTENT” REIMBURSEMENT MOTION

King County, Washington (the “County”) has determined to debt finance a payment to the state related to a public defense legal settlement (the “Settlement”).

The County reasonably expects to incur indebtedness and to issue bonds in a maximum aggregate principal amount of \$10,500,000 (the “Obligations”) to obtain financing for all or a portion of the costs of the Settlement and, prior to the issuance of the Obligations, to fund all or a portion of the costs of the Settlement in the Risk Abatement Fund (#1396).

NOW THEREFORE, on motion duly made and adopted, the Executive Finance Committee declares it to be the official intent of the County, for the purpose of complying with the applicable provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder with respect to qualification of reimbursement allocations as expenditures of Obligation proceeds, that expenditures in furtherance of the Settlement made by the County from the Risk Abatement Fund (#1396), or its successor, prior to the issuance of the Obligations are made with the intent that such expenditures shall be reimbursed from the proceeds of the Obligations, when issued.

**King County****COUNTY FUND APPLICATION FOR INTERFUND LOAN**

## COUNTY FUND MANAGER CONTACT INFORMATION

Fund name and number: Risk Abatement Fund (#1396)

Fund Manager: Dwight Dively

Fund Manager Title: Director, PSB

Contact name (if different): Aaron Rubardt

Contact title: Financial Planning Manager

Phone: 263-9715

Fax:

## BORROWING REQUEST DETAILS

Fund name: Risk Abatement Fund

Fund number: 1396

Term of loan requested (projected start and end date): 12/2016 – 6/2017

Is this a new loan request or a request to modify an existing loan? New

Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes ☒ No ☐ If "Yes", list the name of the reviewer: Aaron Rubardt, Dwight Dively, Jim Record

If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B

## PART A

Provide both the fund name(s) and fund number(s) of the lending fund(s).

Who has determined whether the lending fund(s) designated above is legally able to finance this loan?

## PART B

For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan: \$10,500,000

## ADDITIONAL INFORMATION

Why is this borrowing necessary?

The Dolan interest settlement payment from the County to the State DRS will be transferred in December 2016 to avoid any additional interest charges. The Risk Abatement Fund does not typically carry a cash balance. This fund will go temporarily negative until bonds are sold to reimburse the interest settlement payment. The debt service on the bonds will be paid by the General Fund.

What will be the source of the funds to repay the interfund loan? Bond ProceedsIf the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes ☒ No ☐

## FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)

Signature:

Print Name:

Title:

Date:

**Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period.**Interfund loan approved? Yes ☐  
No ☐

Date Approved/Denied:

Loan interest rate:

Maximum interfund loan amount approved \$

Repayment date:

Other special loan terms or comments:

<b>Risk Abatement Fund (#1396)</b>				
<b>Cash Flow Forecast</b>				
<b>12/1/2016</b>				
Month	Cash On Hand		Expenditures/Charges	Bond Proceeds
Dec-16	\$ 21,202		\$ (10,500,000)	\$ -
Jan-17	\$ (10,478,798)		\$ (6,986)	
Feb-17	\$ (10,485,784)		\$ (6,991)	
Mar-17	\$ (10,492,774)		\$ (6,995)	
Apr-17	\$ (10,499,770)		\$ -	\$ 10,500,000
May-17	\$ 230			
Jun-17	\$ 230			
Jul-17	\$ 230			
Aug-17	\$ 230			
Sep-17	\$ 230			
Oct-17	\$ 230			
Nov-17	\$ 230			
Dec-17	\$ 230			

EXECUTIVE FINANCE COMMITTEE  
DECLARATION OF “OFFICIAL INTENT”  
FOR  
ANTICIPATORY REMEDIAL ACTION

King County, Washington (the “County”) has issued and there presently remain outstanding certain of its Limited Tax General Obligation Bonds, 2010, Series E (Federally Tax-Exempt), which are described in Exhibit A hereto (the “2010E Bonds”), the proceeds of which were used to provide part of the long-term financing for all or a portion of the capital costs of the facilities management division projects to provide infrastructure tenant improvements, fiber optic installation and move planning costs associated with the enterprise Data Center relocation to the Sabey Facility in Tukwila, as described in County Ordinance 16920 (the “2010E Bond Ordinance”).

The County reasonably expects to transfer use and ownership of a portion of the Data Center to the nongovernmental owner of the Sabey Facility, which would be a “deliberate action” resulting in a portion of the outstanding 2010E Bonds being considered “nonqualified bonds” under Treas. Reg. § 1.141-12.

The County has determined to defease all of the 2010E Bonds from available County funds not derived from the proceeds of any tax advantaged bonds as an anticipatory remedial action pursuant to Treas. Reg. § 1.141-12.

NOW THEREFORE, on motion duly made and adopted, the Executive Finance Committee declares it to be the official intent of the County, for the purpose of complying with the applicable provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder, and in particular Treas. Reg. § 1.141-12, that the defeasance of all \$7,705,000 of the 2010E Bonds be treated as an anticipatory remedial action with respect to the deliberate action resulting from the expected transfer of use and ownership of a portion of the Data Center to the nongovernmental owner of the Sabey Facility.

## EXHIBIT A

### OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS, 2010, SERIES E (FEDERALLY TAX-EXEMPT)

<u>Maturity Date</u>	<u>Par Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CUSIP No.</u>
12/1/2017	\$ 425,000	3.50%			49474E4P5
12/1/2018	440,000	3.50			49474E4Q3
12/1/2019	460,000	3.50			49474E4R1
12/1/2020	475,000	4.00			49474E4S9
12/1/2021	490,000	4.00	12/1/2020	100.00%	49474E4T7
12/1/2022	510,000	3.25	12/1/2020	100.00	49474E4U4
12/1/2023	530,000	4.00	12/1/2020	100.00	49474E4V2
12/1/2024	550,000	4.00	12/1/2020	100.00	49474E4W0
12/1/2025	570,000	4.00	12/1/2020	100.00	49474E4X8
12/1/2030*	3,255,000	4.50	12/1/2020	100.00	49474E4Y6

\* Term Bonds

## Credit List – Clarification

### **Background**

When additions to the credit list were presented to the EFC in the past, the recommendation specifically mentioned that the investment team was authorized to purchase the issuer's commercial paper. In September of 2016, the County's investment policy was revised and approved to include the authorized investment of corporate notes based on a change in the Revised Code of Washington now allowing such investments. We respectfully request the EFC to approve the following motion to clarify the investment team's ability to purchase corporate notes and other approved investment types for all approved issuers.

### ***Motion***

*King County's investment team is authorized to purchase commercial paper and other approved investment types for any issuer that is on the credit list.*

.

**KING COUNTY INVESTMENT POOL**  
**ISSUER DIVERSIFICATION, CREDIT EXPOSURE and COMPLIANCE REPORT**  
10/31/16

*The investment pool complies with all constraints listed in Schedule 1 of the investment policy*

	Book Value	% of Portfolio	Issuer Limits/Restrictions	Credit Agency Ratings		Minimum Credit Restrictions	Maximum Maturity
				S&P	Moody's		
<b>U.S. TREASURIES</b>		<b>100%</b>	<b>NONE</b>			<b>NONE</b>	<b>5 Years</b>
U.S. T-Bills or T-Notes	\$2,671,877,789.02	36.1%	In Compliance	AA+	Aaa	In Compliance	In Compliance
			35% per agency across investment type			NONE	5 Years
<b>U.S. AGENCIES</b>		<b>100%</b>					
		23.0%	In Compliance				
Federal Farm Credit Bank (FFCB)	\$536,414,165.23	7.3%	In Compliance	AA+	Aaa	In Compliance	In Compliance
Federal National Mortgage Association (FNMA)	\$499,601,958.85	6.8%	In Compliance	AA+	Aaa	In Compliance	In Compliance
Federal Home Loan Bank (FHLB)	\$319,067,626.56	4.3%	In Compliance	AA+	Aaa	In Compliance	In Compliance
Federal Home Loan Mortgage Corporation (FHLMC)	\$347,499,921.69	4.7%	In Compliance	AA+	Aaa	In Compliance	In Compliance
<b>U.S. AGENCY MORTGAGE BACKED SECURITIES</b>		<b>Not to exceed 25%</b>	<b>35% per agency</b>			<b>NONE</b>	<b>5 Year Average Live</b>
CMO Agencies FNMA	\$5,912,765.46	0.1%	In Compliance	AA+	Aaa	In Compliance	In Compliance
<b>MUNICIPAL BONDS - GENERAL OBLIGATIONS</b>		<b>Not to exceed 20%</b>	<b>Not to exceed 5%</b>			<b>A or better</b>	<b>5 Years</b>
		0.0%	In Compliance				
<b>REPURCHASE AGREEMENTS</b>		<b>100.0%</b>	<b>Not to exceed 25% per dealer</b>			<b>A1/P1<sup>(1)</sup> (2)</b>	<b>60 Days</b>
Wells Fargo Securities, Inc. Tri-party Repo	\$590,000,000.00	8.0%	In Compliance	A-1+	N/A	In Compliance	In Compliance
<b>REVERSE REPURCHASE AGREEMENTS</b>		<b>Not to exceed 20%</b>	<b>Not to exceed 5% per dealer</b>			<b>A1/P1<sup>(1)</sup></b>	<b>6 Months</b>
		0.0%	In Compliance				
<b>LOCAL GOVERNMENT INVESTMENT POOL</b>		<b>Not to exceed 25%</b>	<b>State of WA LGIP only</b>			<b>NONE</b>	<b>N/A</b>
Washington State Treasurer's LGIP	\$833,923,427.77	11.3%	In Compliance	N/A	N/A		
<b>BANKER'S ACCEPTANCES</b>		<b>Not to exceed 25%</b>	<b>5% per issuer across investment type</b>			<b>A1/P1<sup>(3)</sup></b>	<b>180 Days</b>
		0.0%	In Compliance				
<b>OVERNIGHT DEPOSITS</b>		<b>100%</b>	<b>NONE</b>			<b>COLLATERALIZED</b>	
	\$81,656,388.30	1.1%					
<b>CERTIFICATES OF DEPOSIT</b>		<b>Not to exceed 25%</b>	<b>5% per issuer across investment type</b>			<b>NONE</b>	<b>1 Year</b>
		0.0%	In Compliance				
<b>COMMERCIAL PAPER</b>		<b>Not to exceed 25% combined with Corp Notes</b>	<b>5% per issuer across investment type</b>			<b>A1/P1, If &gt;100 days A or better</b>	<b>270 Days</b>
		6.4%	In Compliance				
APPLE INC	\$96,835,442.71	1.3%	In Compliance	A-1+	P-1	In Compliance	In Compliance
MICROSOFT	\$174,782,958.34	2.4%	In Compliance	A-1+	P-1	In Compliance	In Compliance
UNITED PARCEL SERVICE	\$99,952,916.67	1.4%	In Compliance	A-1	P-1	In Compliance	In Compliance
BANK OF NOVA SCOTIA	\$99,845,458.34	1.4%	In Compliance	A-1	P-1	In Compliance	In Compliance
<b>BANK CORPORATE NOTES</b>		<b>Not to exceed 25% combined with CP</b>	<b>5% per issuer across investment type</b>			<b>A or better<sup>(3)</sup></b>	<b>5 Years</b>
		14.0%	In Compliance				
ROYAL BANK OF CANADA	\$198,778,173.76	2.7%	In Compliance	AA-	Aa3	In Compliance	In Compliance
TORONTO DOMINION	\$122,688,540.54	1.7%	In Compliance	AA-	Aa1	In Compliance	In Compliance
US BANK N.A.	\$148,450,632.62	2.0%	In Compliance	AA-	A1	In Compliance	In Compliance
BANK OF AMERICA	\$118,756,264.86	1.6%	In Compliance	A	A1	In Compliance	In Compliance
BANK OF NOVA SCOTIA	\$93,134,820.12	1.3%	In Compliance	A+	Aa3	In Compliance	In Compliance
PNC BANK	\$104,953,804.86	1.4%	In Compliance	A	A2	In Compliance	In Compliance
WELLS FARGO BANK N.A.	\$95,887,141.07	1.3%	In Compliance	AA-	Aa2	In Compliance	In Compliance
BANK OF MONTREAL	\$121,664,757.92	1.6%	In Compliance	A+	Aa3	In Compliance	In Compliance
CANADIAN IMPERIAL BANK	\$29,994,876.17	0.4%	In Compliance	A+	Aa3	In Compliance	In Compliance
	\$7,391,679,830.86	100.0%					

\* Purchases prior to 9/15/16 are considered grandfathered in for issuer limit purposes and can be held to maturity.

\* Purchases prior to 9/15/16 are considered grandfathered in for issuer limit purposes and can be held to maturity.

ADDITIONAL PORTFOLIO LEVEL REQUIREMENTS	Actual	Status
Effective Duration Less Than 1.5 Years	0.984	In Compliance
40% of Portfolio Value 12 Months or Less	56.4%	In Compliance
Corporate Exposure Not Greater Than 50%	20.4%	In Compliance
Corp Notes & CP ≤ 25%	20.4%	In Compliance
Maximum Duration of Corp Note Portfolio ≤ 3 years	1.49	In Compliance

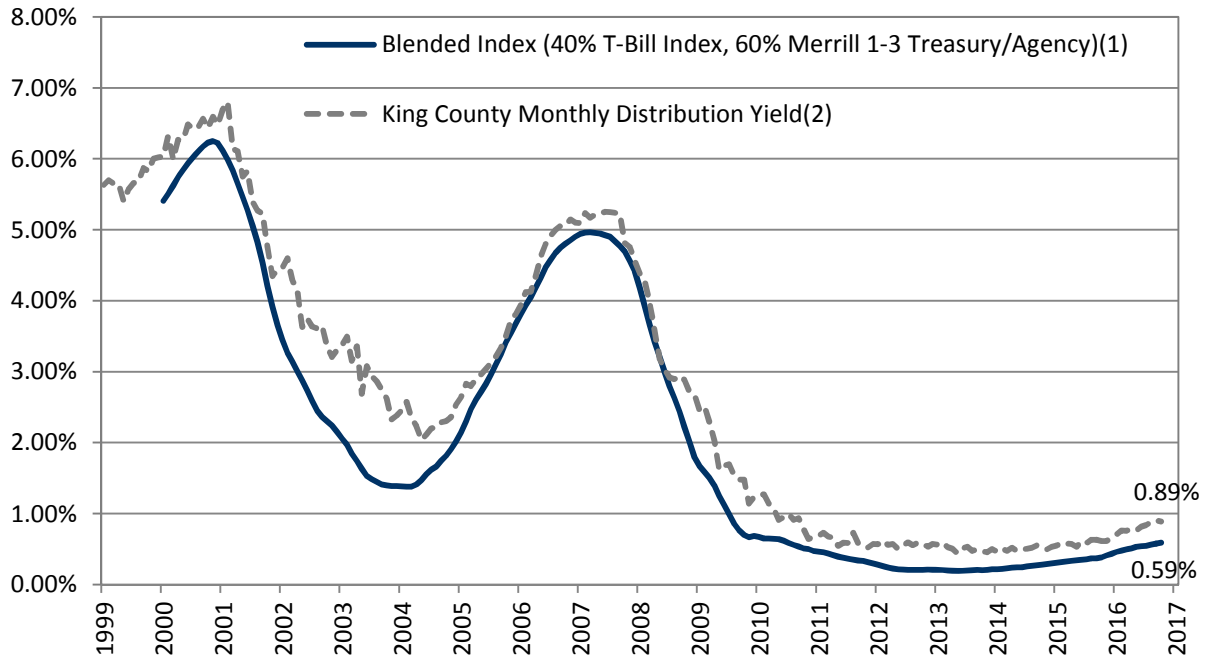
(1) Must be rated by at least one nationally recognized rating agency

(2) Also backed by collateral

(3) Must be rated by at least 2 nationally recognized rating agencies



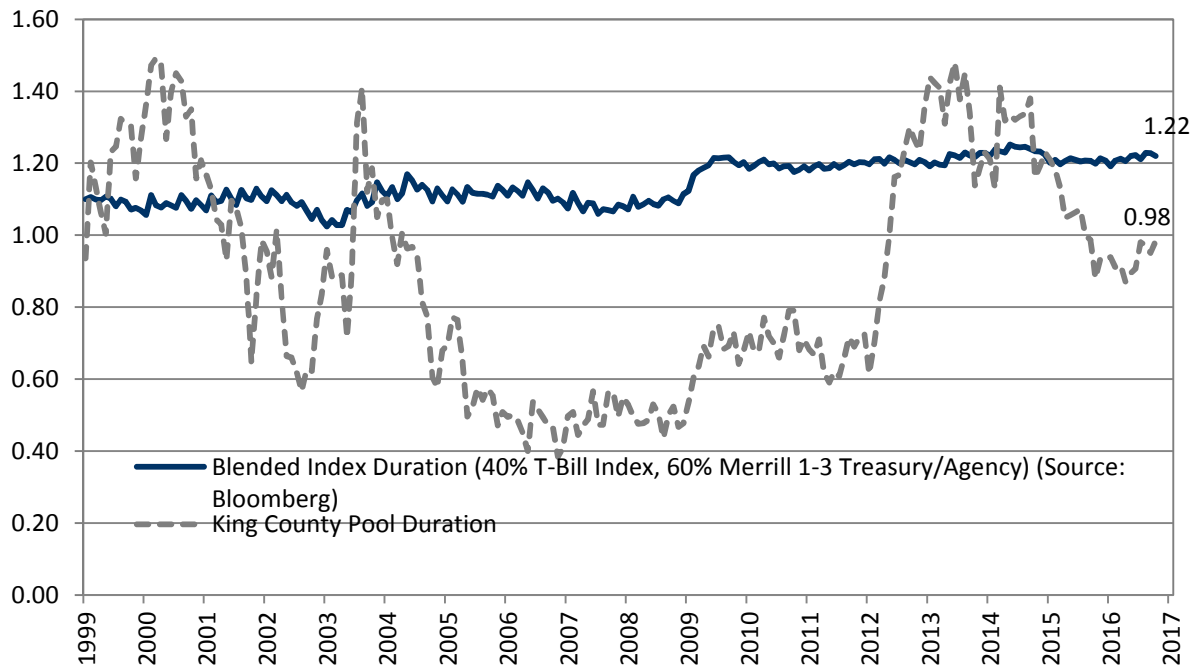
## King County Monthly Distribution Yield Versus Custom Index



(1) Calculation for index return adjusted from coupon return to the 12-month moving average of the index's effective yield. (Source: Bloomberg)

(2) Does not include negative distributions from the Impaired Pool

## King County Monthly Duration Versus Custom Index





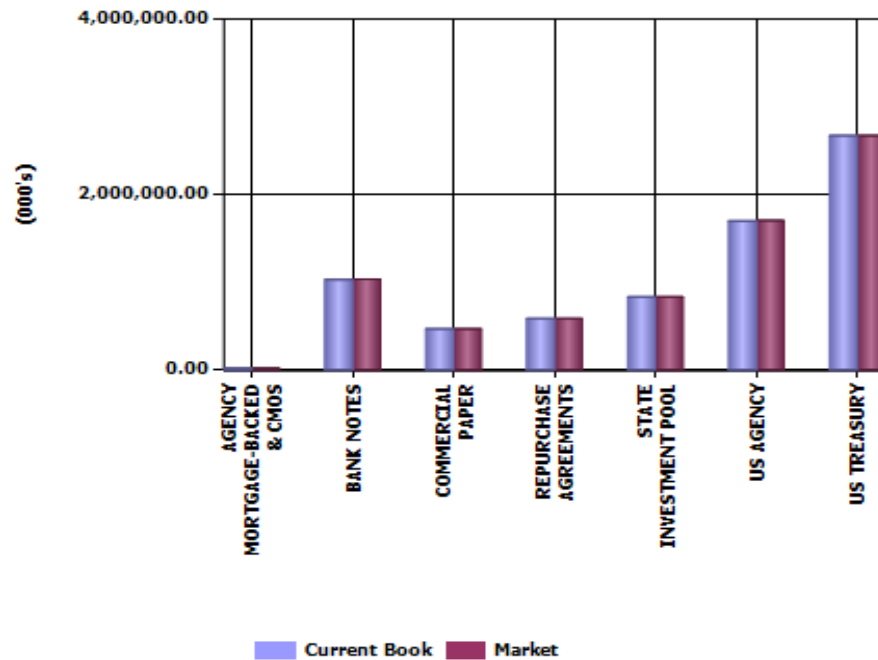
October 2016 Transactions

DESCRIPTION		AVG RATE			AVG PAR			
PURCHASES								
REPO		.333			217,050,000.00			
DESCRIPTION		COUPON	MATURITY	SETTLED	BK YLD	PAR VALUE	BOOK VALUE	GAIN/(LOSS)
PURCHASES								
MICROSOFT CORP		.000	03/30/2017	10/03/2016	.783	50,000,000.00	49,807,166.67	0.00
US TREASURY NOTE		.875	09/15/2019	10/13/2016	1.034	100,000,000.00	99,542,968.75	0.00
LGIP		.472	11/01/2016	10/17/2016	.472	100,000,000.00	100,000,000.00	0.00
US TREASURY NOTE		1.000	09/30/2019	10/17/2016	1.000	100,000,000.00	100,000,000.00	0.00
LGIP		.472	11/01/2016	10/20/2016	.472	100,000,000.00	100,000,000.00	0.00
FANNIE MAE		1.000	10/24/2019	10/25/2016	1.091	100,000,000.00	99,732,000.00	0.00
US TREASURY NOTE		1.625	03/31/2019	10/27/2016	.960	100,000,000.00	101,589,843.75	0.00
LGIP		.472	11/01/2016	10/28/2016	.472	100,000,000.00	100,000,000.00	0.00
APPLE INC		.000	12/06/2016	10/28/2016	.420	96,875,000.00	96,830,921.88	0.00
LGIP		.472	11/01/2016	10/31/2016	.472	253,861.86	253,861.86	0.00
US TREASURY NOTE		1.625	06/30/2019	10/31/2016	.973	100,000,000.00	101,710,937.50	0.00
FED FARM CREDIT		.850	10/25/2018	10/31/2016	.915	98,101,000.00	97,975,921.23	0.00
FED FARM CREDIT		.720	01/16/2018	10/31/2016	.760	43,635,000.00	43,614,055.20	0.00
US TREASURY NOTE		1.250	12/15/2018	10/31/2016	.898	100,000,000.00	100,738,281.25	0.00
US TREASURY NOTE		1.375	09/30/2018	10/31/2016	.868	100,000,000.00	100,960,937.50	0.00
TOTAL						1,288,864,861.86	1,292,756,895.59	0.00
CALL								
PNC BANK NA		1.150	11/01/2016	10/03/2016	.666	18,882,000.00	18,882,000.00	0.00
TOTAL						18,882,000.00	18,882,000.00	0.00

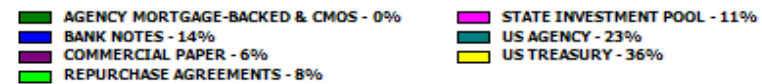
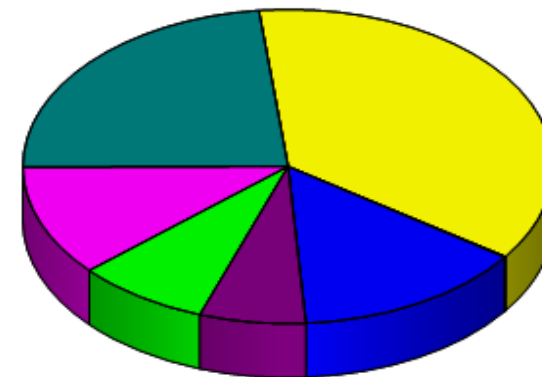


Assets (000's)	PAR	BOOK	MARKET	MKT/BK	YIELD
AGENCY MORTGAGE-BACKED & CMOS	5,820.78	5,912.77	6,311.85	106.75%	4.34%
BANK NOTES	1,032,316.00	1,034,309.01	1,035,558.24	100.12%	1.41%
COMMERCIAL PAPER	471,875.00	471,416.78	471,493.56	100.02%	0.64%
REPURCHASE AGREEMENTS	590,000.00	590,000.00	590,000.00	100.00%	0.33%
STATE INVESTMENT POOL	833,923.43	833,923.43	833,923.43	100.00%	0.47%
US AGENCY	1,704,059.00	1,702,583.67	1,703,932.58	100.08%	0.87%
US TREASURY	2,664,000.00	2,671,877.79	2,676,043.12	100.16%	0.91%
<b>Totals (000's):</b>	<b>7,301,994.21</b>	<b>7,310,023.44</b>	<b>7,317,262.78</b>	<b>100.10%</b>	<b>0.86%</b>

### ASSET ALLOCATION



CURRENT PAR %



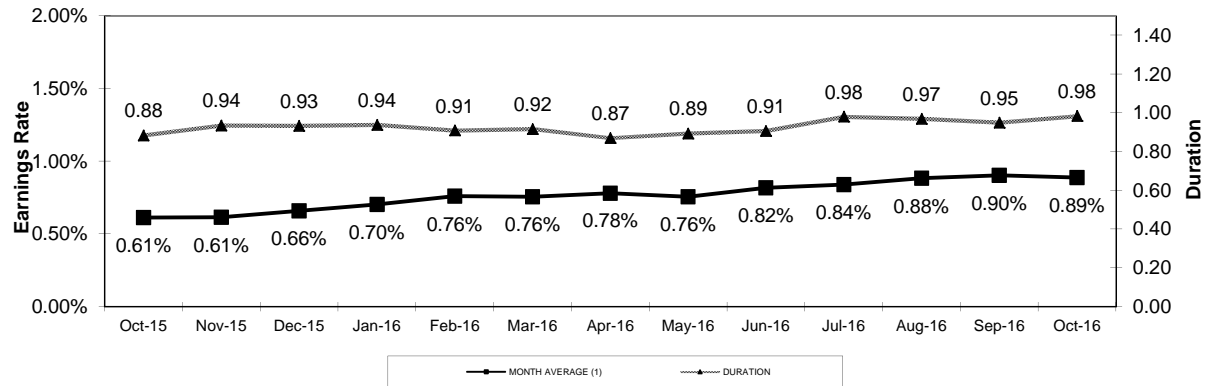
# KING COUNTY INVESTMENT POOL

## MATURITY DISTRIBUTION AS OF 10/31/2016

<u>CALL/MATURITY</u>	<u>DATE RANGE</u>	<u>NO OF INV</u>	<u>BOOK VALUE</u>	<u>%</u>	<u>CUM %</u>
0 TO 1 MONTHS	11/01/16 - 12/03/16	10	1,689,265,992.30	22.9%	22.9%
1 TO 3 MONTHS	12/04/16 - 01/31/17	21	828,590,446.90	11.2%	34.1%
3 TO 6 MONTHS	02/01/17 - 04/30/17	11	757,116,193.75	10.2%	44.3%
6 TO 12 MONTHS	05/01/17 - 10/31/17	24	893,549,846.58	12.1%	56.4%
12 TO 24 MONTHS	11/01/17 - 10/31/18	40	1,801,752,805.95	24.4%	80.8%
24 TO 36 MONTHS	11/01/18 - 10/31/19	25	1,315,259,411.38	17.8%	98.6%
36 TO ** MONTHS	11/01/19 -	5	106,145,134.00	1.4%	100.0%
GRAND TOTALS		136	7,391,679,830.86		

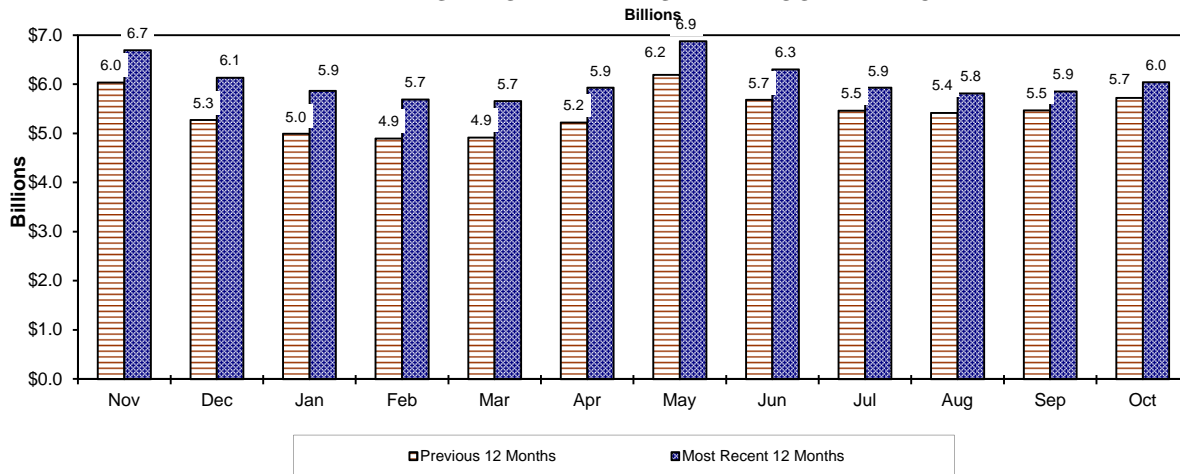
# KING COUNTY INVESTMENT POOL

## EARNINGS DISTRIBUTION RATE & EFFECTIVE DURATION



(1) Not adjusted yet for realized losses on commercial paper investments.

## AVERAGE MONTHLY INVESTMENT POOL BALANCE



## KC GENERAL FUND YTD INTEREST EARNINGS

October 31, 2016

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>DIFFERENCE</u>
YTD AVG BALANCE (millions)	\$162	\$176	\$14.2
YTD YIELD	0.53%	0.80%	0.27%
INTEREST DISTRIBUTION (\$)	\$718,028	\$1,172,407	\$454,379
AUTOMATIC INTEREST (\$)	\$0	\$0	\$0
<b>TOTAL INTEREST (\$)</b>	<b>\$718,028</b>	<b>\$1,172,407</b>	<b>\$454,379</b>

## YTD POOL FEE REVENUE

	<u>BUDGET</u>	<u>Collected <sup>(1)</sup></u>	<u>Potential Rebate</u>
DIRECT COST FEE DUE TO GF	\$500,000	\$1,133,728	\$633,728
DIRECT COST FEE TO FBOD	N/A	\$79,911	\$79,911
<b>TOTAL YTD DIRECT POOL FEES</b>	<b>500,000</b>	<b>1,213,639</b>	<b>\$713,639</b>
	<u>BUDGET</u>	<u>Actual</u>	<u>Difference</u>
CASH MGMT FEE TO GF	N/A	\$551,129	N/A
CASH MGMT FEE TO FBOD	N/A	\$9,895	N/A
<b>TOTAL YTD CASH MGMT FEES</b>	<b>N/A</b>	<b>561,024</b>	<b>N/A</b>

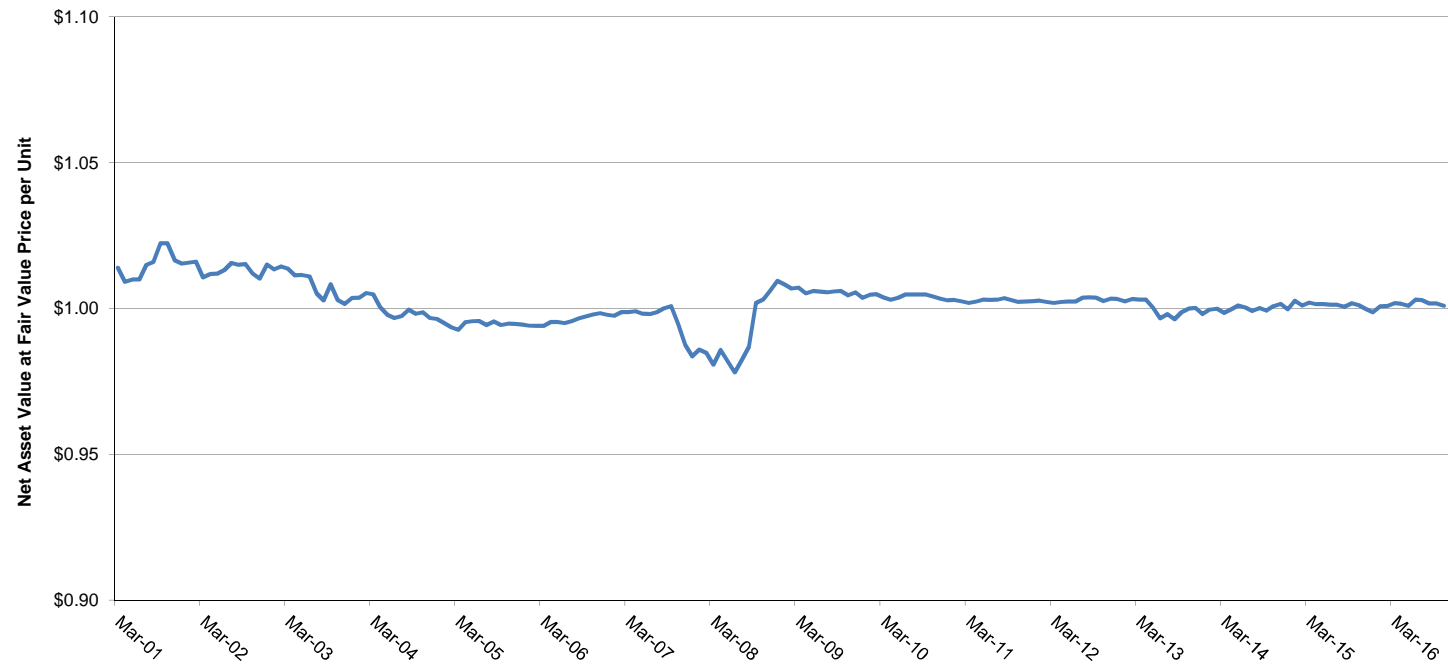
YTD TOTAL POOL DISTRIBUTION	\$40,476,603
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(1) Collecting 2.5 basis points for direct fees, but will rebate difference between collected and actual expenses after the fiscal year closes.

## King County Investment Pool Fair Value Report

	08/31/16	09/30/16	10/31/16
<b><u>Net Assets (1)</u></b>			
Net Assets held in trust for pool participants	<u>\$ 5,997,116,206.39</u>	<u>\$ 5,930,528,653.78</u>	<u>\$ 7,319,242,128.93</u>
Net assets consist of:			
Participant units outstanding (\$1.00 par)	\$ 5,986,697,632.04	\$ 5,920,282,891.69	\$ 7,312,002,793.93
Undistributed and unrealized gains(losses)	<u>\$ 10,418,574.35</u>	<u>\$ 10,245,762.09</u>	<u>\$ 7,239,335.00</u>
Net Assets	<u>\$ 5,997,116,206.39</u>	<u>\$ 5,930,528,653.78</u>	<u>\$ 7,319,242,128.93</u>
Total Pool -- Net asset value at fair value price per unit	<b><u>\$1.0017</u></b>	<b><u>\$1.0017</u></b>	<b><u>\$1.0010</u></b>

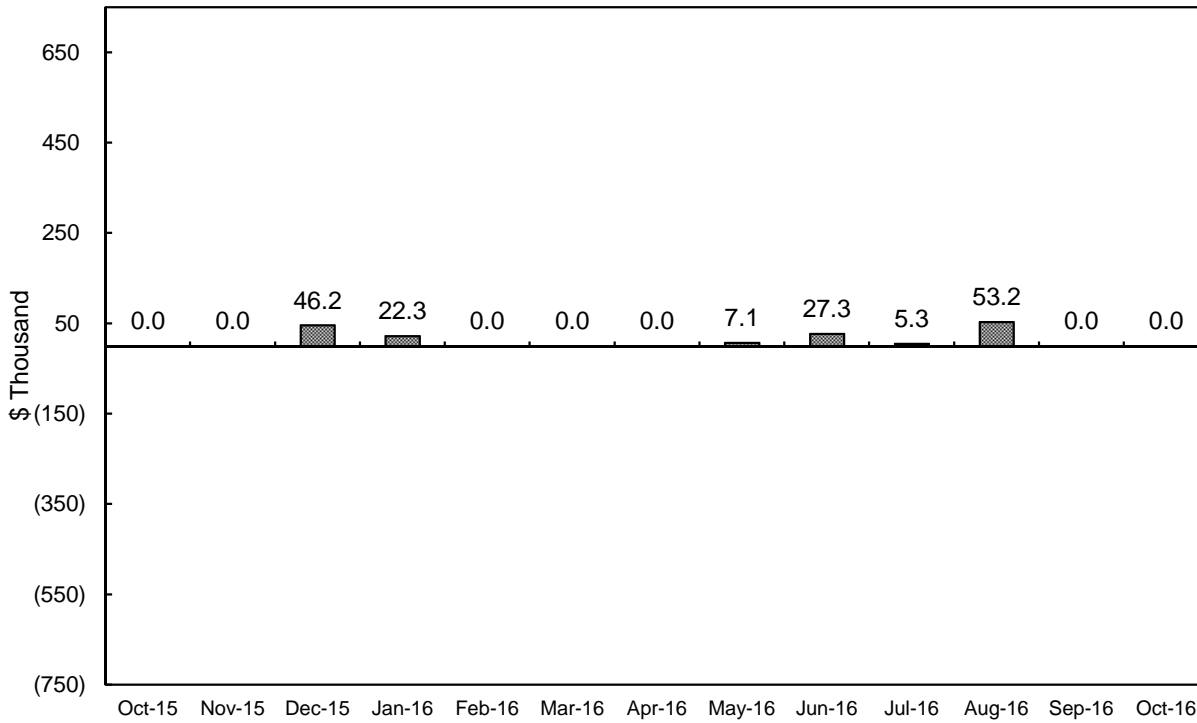
## King County Investment Pool History of Fair Value per Dollar Invested (1)



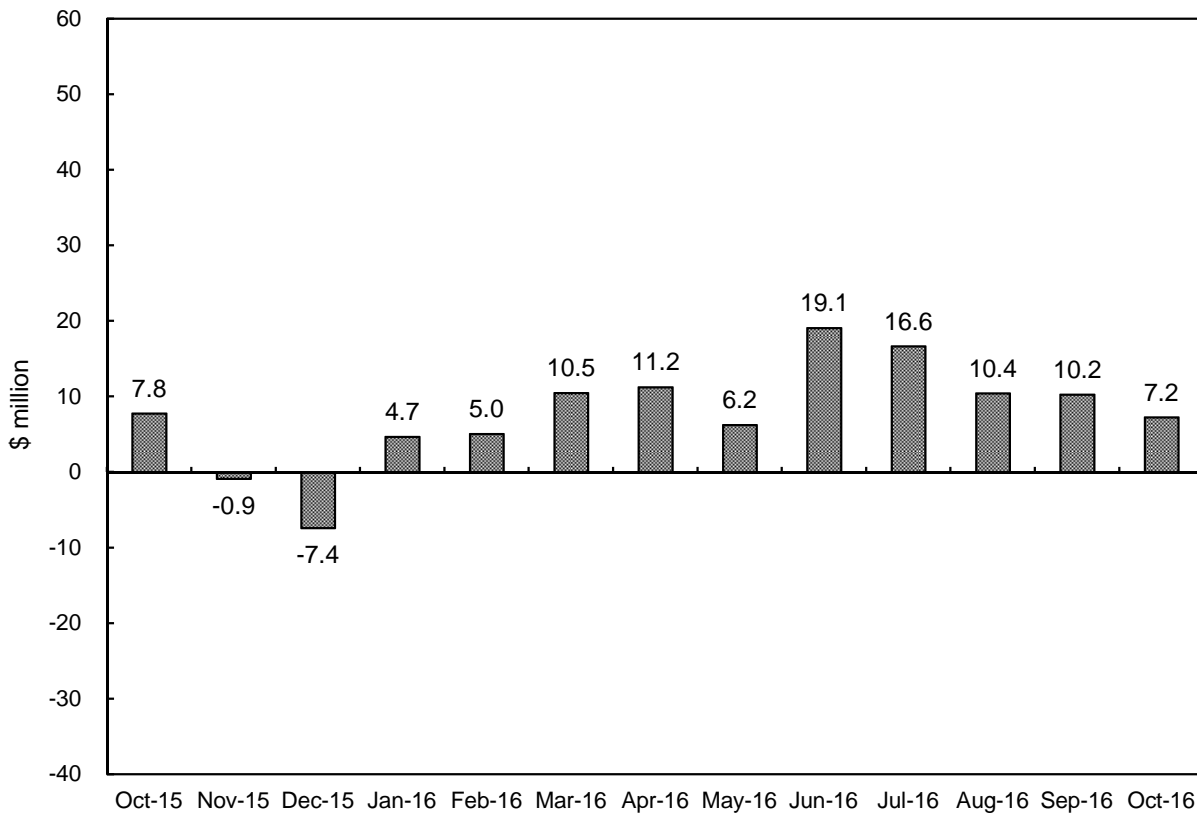
(1) Impaired securities were separated from main pool on 9/1/08

# GAIN / LOSS SUMMARY

## TOTAL REALIZED GAIN OR LOSS (1)



## NET UNREALIZED GAIN OR LOSS (TOTAL PORTFOLIO)



(1) Excludes gains/losses from impaired CP

KING COUNTY TREASURY OPERATIONS  
SEATTLE, WASHINGTON

PORTFOLIO DETAIL FINANCIAL ANALYSIS  
AS OF 10/31/16

(MANFIN)

PAGE: 1

SORTING ORDER: MATD

RUN: 11/03/16 13:11:34

\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
711	LOCAL GOVT INVESTM	.471700	.471700	11/01/16	100.000000	833,923,427.77	833,923,427.77	833,923,427.77	.00	3,933,615.89
1522	CASH-US BANK	.001000	.001000	11/01/16	100.000000	77,687,997.78	77,687,997.78	77,687,997.78	.00	776.88
1523	CASH-KEY BANK	.001000	.001000	11/01/16	100.000000	3,480,229.44	3,480,229.44	3,480,229.44	.00	34.80
1524	CASH-BOFA	.001000	.001000	11/01/16	100.000000	488,161.08	488,161.08	488,161.08	.00	4.88
2710	Wells Fargo Tri-Re	.330000	.330000	11/01/16	100.000000	590,000,000.00	590,000,000.00	590,000,000.00	.00	1,947,000.00
2117	BANK OF AMERICA	1.125000	1.050048	11/14/16	100.006000	28,765,000.00	28,765,753.92	28,766,725.90	971.98	302,046.35
2139	BANK OF AMERICA	1.125000	1.053146	11/14/16	100.006000	4,900,000.00	4,900,123.12	4,900,294.00	170.88	51,604.14
1496	Fannie Mae	1.375000	.712951	11/15/16	100.039000	50,000,000.00	50,012,493.86	50,019,500.00	7,006.14	356,475.65
1802	US TREASURY NOTE	.875000	.727966	11/30/16	100.054000	50,000,000.00	50,005,765.10	50,027,000.00	21,234.90	363,983.16
2174	US TREASURY NOTE	.500000	.448250	11/30/16	100.025000	50,000,000.00	50,002,040.23	50,012,500.00	10,459.77	224,124.88
2506	Bank of Nova Scoti	.000000	.976419	12/01/16	99.958333	50,000,000.00	49,959,583.34	49,979,166.50	19,583.16	488,209.70
2587	UNITED PARCEL	.000000	.531306	12/01/16	99.958333	50,000,000.00	49,977,916.67	49,979,166.50	1,249.83	265,653.15
2588	UNITED PARCEL	.000000	.601645	12/01/16	99.958333	50,000,000.00	49,975,000.00	49,979,166.50	4,166.50	300,822.25
2632	MICROSOFT CORP	.000000	.530930	12/01/16	99.958333	75,000,000.00	74,966,875.00	74,968,749.75	1,874.75	398,197.61
2638	MICROSOFT CORP	.000000	.540909	12/01/16	99.958333	50,000,000.00	49,977,500.00	49,979,166.50	1,666.50	270,454.36
2708	APPLE INC	.000000	.420191	12/06/16	99.951389	96,875,000.00	96,835,442.71	96,827,908.09	-7,534.62	407,060.17
2333	BANK NOVA SCOTIA	1.100000	.963820	12/13/16	100.033000	20,000,000.00	20,003,095.73	20,006,600.00	3,504.27	192,764.00
2379	BANK NOVA SCOTIA	1.100000	.789214	12/13/16	100.033000	18,186,000.00	18,192,436.51	18,192,001.38	-435.13	143,526.41
2175	US TREASURY NOTE	.625000	.464052	12/15/16	100.045000	50,000,000.00	50,009,628.46	50,022,500.00	12,871.54	232,026.09
1640	FHLB Note	.625000	.717911	12/28/16	100.048000	40,000,000.00	39,994,274.98	40,019,200.00	24,925.02	287,164.36
1963	US TREASURY NOTE	.875000	.779310	12/31/16	100.100000	50,000,000.00	50,007,756.09	50,050,000.00	42,243.91	389,654.98
2463	BANK OF MONTREAL	2.500000	1.062836	01/11/17	100.307000	10,000,000.00	10,027,704.75	10,030,700.00	2,995.25	106,283.63
2640	BANK OF MONTREAL	2.500000	.948730	01/11/17	100.307000	20,500,000.00	20,561,159.73	20,562,935.00	1,775.27	194,489.71
1795	US TREASURY NOTE	.750000	.771540	01/15/17	100.096000	50,000,000.00	49,997,811.49	50,048,000.00	50,188.51	385,770.20
2314	ROYAL BK CANADA	1.200000	1.046316	01/23/17	100.047000	7,730,000.00	7,732,664.66	7,733,633.10	968.44	80,880.22
2323	ROYAL BK CANADA	1.200000	1.076306	01/23/17	100.047000	1,697,000.00	1,697,470.46	1,697,797.59	327.13	18,264.92
2370	ROYAL BK CANADA	1.200000	.928965	01/23/17	100.047000	34,067,000.00	34,087,722.97	34,083,011.49	-4,711.48	316,470.45
2538	Bank of Nova Scoti	.000000	.997406	01/23/17	99.870889	50,000,000.00	49,885,875.00	49,935,444.50	49,569.50	498,702.87
2534	PNC BANK NA CALLAB	1.125000	.838832	12/28/16C	100.037000	11,944,000.00	11,949,922.47	11,948,419.28	-1,503.19	100,190.14
2569	PNC BANK NA CALLAB	1.125000	.914321	12/28/16C	100.037000	42,675,000.00	42,690,766.04	42,690,789.75	23.71	390,186.61
1497	Fannie Mae	1.250000	.756002	01/30/17	100.205000	50,000,000.00	50,059,839.84	50,102,500.00	42,660.16	378,000.93
1962	US TREASURY NOTE	.875000	.809510	01/31/17	100.144000	60,000,000.00	60,009,649.63	60,086,400.00	76,750.37	485,706.14
2227	BANK OF AMERICA	1.250000	1.188753	02/14/17	100.055000	40,000,000.00	40,006,898.55	40,022,000.00	15,101.45	475,501.23
1757	US TREASURY NOTE	.625000	.901704	02/15/17	100.088000	50,000,000.00	49,960,472.30	50,044,000.00	83,527.70	450,851.94
1756	US TREASURY NOTE	.875000	.922329	02/28/17	100.179000	50,000,000.00	49,992,404.52	50,089,500.00	97,095.48	461,164.33
2546	FFCB DISCOUNT NT	.000000	.592964	03/03/17	99.864000	140,000,000.00	139,720,077.77	139,809,600.00	89,522.23	830,149.60
2543	FHLB DISCOUNT NT	.000000	.613472	03/29/17	99.836000	150,000,000.00	149,623,833.34	149,754,000.00	130,166.66	920,207.87
2685	MICROSOFT CORP	.000000	.783020	03/30/17	99.689583	50,000,000.00	49,838,583.34	49,844,791.50	6,208.16	391,509.92
1414	US TREASURY NOTE	1.000000	.712736	03/31/17	100.238000	50,000,000.00	50,057,977.73	50,119,000.00	61,022.27	356,368.14
2542	FFCB DISCOUNT NOTE	.000000	.623717	04/10/17	99.800000	100,000,000.00	99,724,444.45	99,800,000.00	75,555.55	623,716.66
1765	US TREASURY NOTE	.875000	.974227	04/30/17	100.169000	50,000,000.00	49,975,958.87	50,084,500.00	108,541.13	487,113.30
2263	TORONTO DOMINION B	1.125000	1.058958	05/02/17	99.998000	18,200,000.00	18,205,893.25	18,199,636.00	-6,257.25	192,730.38



KING COUNTY TREASURY OPERATIONS  
SEATTLE, WASHINGTON

PORTFOLIO DETAIL FINANCIAL ANALYSIS  
AS OF 10/31/16

(MANFIN)

PAGE: 2

SORTING ORDER: MATD

RUN: 11/03/16 13:11:34

\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
1766	US TREASURY NOTE	.625000	1.018173	05/31/17	100.020000	50,000,000.00	49,888,513.19	50,010,000.00	121,486.81	509,086.45
2424	US TREASURY NOTE	2.750000	.884130	05/31/17	101.238000	50,000,000.00	50,534,187.05	50,619,000.00	84,812.95	442,065.22
1609	FHLMC BULLET	1.000000	.977087	06/29/17	100.267000	23,778,000.00	23,781,497.38	23,841,487.26	59,989.88	232,331.75
1613	FHLMC BULLET	1.000000	.963425	06/29/17	100.267000	25,000,000.00	25,005,878.84	25,066,750.00	60,871.16	240,856.13
1734	US TREASURY NOTE	.750000	.950970	06/30/17	100.082000	50,000,000.00	49,934,819.72	50,041,000.00	106,180.28	475,485.12
2423	US TREASURY NOTE	2.500000	.923011	06/30/17	101.242000	50,000,000.00	50,516,092.37	50,621,000.00	104,907.63	461,505.26
2371	BANK OF MONTREAL C	1.300000	1.083873	06/14/17C	100.165000	5,560,000.00	5,567,674.21	5,569,174.00	1,499.79	60,263.35
1369	FREDDIE MAC CALLAB	1.000000	1.022914	07/25/14C	100.252000	50,000,000.00	49,993,382.49	50,126,000.00	132,617.51	511,456.96
2658	FFCB DISCOUNT NOTE	.000000	.643777	07/27/17	99.605000	51,500,000.00	51,254,631.11	51,296,575.00	41,943.89	331,545.06
1572	US Treasury Note	.500000	.595581	07/31/17	99.906000	50,000,000.00	49,964,881.73	49,953,000.00	-11,881.73	297,790.25
1573	US Treasury Note	.625000	.610249	08/31/17	99.922000	50,000,000.00	50,006,015.71	49,961,000.00	-45,015.71	305,124.36
1745	US TREASURY NOTE	.625000	1.000148	08/31/17	99.922000	50,000,000.00	49,847,595.90	49,961,000.00	113,404.10	500,073.95
1628	Federal Farm Credi	1.125000	1.125000	09/05/17	100.351000	34,900,000.00	34,900,000.00	35,022,499.00	122,499.00	392,625.00
1406	FED HOME LN BANK	.750000	.916458	09/08/17	100.096000	18,980,000.00	18,953,743.36	18,998,220.80	44,477.44	173,943.73
1408	FED HOME LN BANK	.750000	.914838	09/08/17	100.096000	26,415,000.00	26,378,811.29	26,440,358.40	61,547.11	241,654.38
2191	US BANK NA OHIO CA	1.375000	1.087077	08/11/17C	100.152000	25,000,000.00	25,056,820.82	25,038,000.00	-18,820.82	271,769.24
2240	US BANK NA CALLABL	1.375000	1.251635	08/11/17C	100.152000	15,000,000.00	15,014,600.65	15,022,800.00	8,199.35	187,745.25
1614	FFCB BULLET	1.550000	1.098833	09/18/17	100.717000	19,200,000.00	19,274,280.04	19,337,664.00	63,383.96	210,975.84
1416	Fannie Mae Callabl	1.000000	1.002055	09/20/13C	100.254000	50,000,000.00	49,999,401.15	50,127,000.00	127,598.85	501,027.27
1724	US TREASURY NOTE	.625000	1.025357	09/30/17	99.930000	50,000,000.00	49,821,304.82	49,965,000.00	143,695.18	512,678.56
1744	US TREASURY NOTE	.625000	1.034441	09/30/17	99.930000	50,000,000.00	49,817,266.41	49,965,000.00	147,733.59	517,220.54
1615	FHLE BULLET	1.500000	1.134972	10/10/17	100.652000	32,950,000.00	33,060,114.56	33,164,834.00	104,719.44	373,973.38
2334	ROYAL BK CANADA	1.400000	1.403863	10/13/17	100.185000	15,000,000.00	14,999,445.67	15,027,750.00	28,304.33	210,579.45
1411	FANNIE MAE	.875000	.919048	10/26/17	100.165000	50,000,000.00	49,978,888.11	50,082,500.00	103,611.89	459,523.96
2318	US TREASURY NOTE	.875000	.893174	11/15/17	100.137000	50,000,000.00	49,990,641.80	50,068,500.00	77,858.20	446,587.06
2478	US Treasury Note	.625000	.802706	11/30/17	99.875000	100,000,000.00	99,810,021.97	99,875,000.00	64,978.03	802,706.40
2320	US TREASURY NOTE	1.000000	.906428	12/15/17	100.281000	50,000,000.00	50,051,631.57	50,140,500.00	88,868.43	453,214.00
2276	BANK NOVA SCOTIA C	1.375000	1.499982	11/18/17C	100.082000	25,000,000.00	24,965,509.15	25,020,500.00	54,990.85	374,995.62
1467	FANNIE MAE	.875000	.872335	12/20/17	100.145000	50,000,000.00	50,001,474.52	50,072,500.00	71,025.48	436,167.35
2321	US TREASURY NOTE	.875000	.931048	01/15/18	100.160000	50,000,000.00	49,966,675.22	50,080,000.00	113,324.78	465,524.21
2712	FED FARM CREDIT	.720000	.760002	01/16/18	99.926000	43,635,000.00	43,614,055.20	43,602,710.10	-11,345.10	331,626.80
2564	WELLS FARGO BANK	1.650000	1.343175	01/22/18	100.340000	20,000,000.00	20,073,788.14	20,068,000.00	-5,788.14	268,634.99
2103	US Bank NA Callab	1.350000	1.312034	12/26/17C	100.121000	11,500,000.00	11,505,047.65	11,513,915.00	8,867.35	150,883.87
2120	US BANK NA OHIO CA	1.350000	1.248811	12/26/17C	100.121000	27,225,000.00	27,256,861.15	27,257,942.25	1,081.10	339,988.86
2643	US BANK NA OHIO CA	1.350000	1.006628	12/26/17C	100.121000	24,462,000.00	24,563,500.07	24,491,599.02	-71,901.05	246,241.35
2180	US TREASURY NOTE	1.000000	.838724	02/15/18	100.305000	65,000,000.00	65,133,137.16	65,198,250.00	65,112.84	545,170.58
2382	US TREASURY NOTE	.750000	.883732	02/28/18	99.973000	50,000,000.00	49,912,347.81	49,986,500.00	74,152.19	441,865.77
2185	FED HOME LN BANK	1.375000	.994011	03/09/18	100.748000	50,800,000.00	51,056,849.03	51,179,984.00	123,134.97	504,957.77
2389	US Treasury Note	1.000000	.916246	03/15/18	100.305000	50,000,000.00	50,056,466.37	50,152,500.00	96,033.63	458,122.80
2164	BANK OF AMERICA	1.650000	1.518078	03/26/18	100.271000	25,000,000.00	25,044,845.67	25,067,750.00	22,904.33	379,519.53
2165	BANK OF AMERICA	1.650000	1.507939	03/26/18	100.271000	20,000,000.00	20,038,643.60	20,054,200.00	15,556.40	301,587.79
2531	US Treasury Note	.875000	.809877	03/31/18	100.121000	100,000,000.00	100,090,925.16	100,121,000.00	30,074.84	809,876.86

KING COUNTY TREASURY OPERATIONS  
SEATTLE, WASHINGTON

P O R T F O L I O   D E T A I L   F I N A N C I A L   A N A L Y S I S  
AS OF 10/31/16

(MANFIN)

SORTING ORDER: MATD

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\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
2654	US TREASURY NOTE	2.875000	.810066	03/31/18	102.887000	50,000,000.00	51,445,379.97	51,443,500.00	-1,879.97	405,033.13
2264	BANK OF MONTREAL C	1.450000	1.593072	03/09/18C	100.135000	15,376,000.00	15,345,198.51	15,396,757.60	51,559.09	244,950.69
2390	US Treasury Note	.750000	.945737	04/15/18	99.938000	50,000,000.00	49,859,894.94	49,969,000.00	109,105.06	472,868.67
2516	FED FARM CREDIT	.750000	.818121	04/18/18	99.883000	50,000,000.00	49,950,755.43	49,941,500.00	-9,255.43	409,060.27
2381	US TREASURY NOTE	.625000	.924096	04/30/18	99.734000	50,000,000.00	49,779,647.70	49,867,000.00	87,352.30	462,047.79
2393	US TREASURY NOTE	1.000000	1.040797	05/15/18	100.289000	50,000,000.00	49,969,156.74	50,144,500.00	175,343.26	520,398.33
1577	Freddie Mac Callab	.950000	1.036413	05/22/15C	99.831000	23,800,000.00	23,768,960.95	23,759,778.00	-9,182.95	246,666.22
2222	PNC BANK NA	1.600000	1.622972	05/02/18C	100.237000	30,000,000.00	29,989,418.12	30,071,100.00	81,681.88	486,891.58
2394	US TREASURY NOTE	1.125000	1.068586	06/15/18	100.488000	50,000,000.00	50,044,815.29	50,244,000.00	199,184.71	534,292.76
2592	FREDDIE MAC CALLAB	1.060000	1.060000	09/22/16C	100.005000	50,000,000.00	50,000,000.00	50,002,500.00	2,500.00	530,000.00
2598	FREDDIE MAC CALLAB	1.000000	1.000000	12/29/16C	99.998000	50,000,000.00	50,000,000.00	49,999,000.00	-1,000.00	500,000.00
2269	TORONTO DOMINION B	1.750000	1.784038	07/23/18	100.710000	35,000,000.00	34,980,114.17	35,248,500.00	268,385.83	624,413.27
2324	TORONTO DOM BANK	1.750000	1.759103	07/23/18	100.710000	14,529,000.00	14,526,715.33	14,632,155.90	105,440.57	255,580.07
2622	FREDDIE MAC CALLAB	1.050000	1.072803	07/27/18	100.018000	50,000,000.00	49,980,489.73	50,009,000.00	28,510.27	536,401.27
2623	FANNIE MAE CALLABL	.875000	.977744	07/27/17C	99.621000	50,000,000.00	49,911,986.98	49,810,500.00	-101,486.98	488,871.77
2277	ROYAL BK CANADA	1.800000	1.804127	07/30/18	100.520000	25,000,000.00	24,998,259.10	25,130,000.00	131,740.90	451,031.81
2279	BANK OF MONTREAL	1.800000	1.847154	07/31/18	100.544000	20,000,000.00	19,984,075.00	20,108,800.00	124,725.00	369,430.83
2612	BANK OF MONTREAL	1.800000	1.275150	07/31/18	100.544000	20,000,000.00	20,180,040.37	20,108,800.00	-71,240.37	255,029.94
2653	Bank of Montreal	1.350000	1.352052	08/28/18	99.831000	30,000,000.00	29,998,905.35	29,949,300.00	-49,605.35	405,615.61
2714	US TREASURY NOTE	1.375000	.867782	09/30/18	100.922000	100,000,000.00	100,960,937.50	100,922,000.00	-38,937.50	867,781.95
2673	FREDDIE MAC	.875000	.895912	10/12/18	99.899000	75,000,000.00	74,969,712.30	74,924,250.00	-45,462.30	671,933.81
2711	FED FARM CREDIT	.850000	.915002	10/25/18	99.833000	98,101,000.00	97,975,921.23	97,937,171.33	-38,749.90	897,625.92
2659	US TREASURY NOTE	1.250000	.825593	11/15/18	100.707000	50,000,000.00	50,427,283.65	50,353,500.00	-73,783.65	412,796.26
2613	ROYAL BK CANADA	2.000000	1.355011	12/10/18	100.923000	25,000,000.00	25,332,647.44	25,230,750.00	-101,897.44	338,752.87
2713	US TREASURY NOTE	1.250000	.898009	12/15/18	100.703000	100,000,000.00	100,738,281.25	100,703,000.00	-35,281.25	898,008.82
1725	US TREASURY NOTE	1.500000	1.520113	12/31/18	101.242000	50,000,000.00	49,978,959.54	50,621,000.00	642,040.46	760,056.29
2445	BANK NOVA SCOTIA	1.950000	1.991060	01/15/19	100.712000	30,000,000.00	29,973,778.73	30,213,600.00	239,821.27	597,318.06
2522	US Treasury Note	1.125000	.885685	01/15/19	100.441000	50,000,000.00	50,259,697.60	50,220,500.00	-39,197.60	442,842.52
2451	TORONTO DOM BANK	1.950000	1.980013	01/22/19	100.899000	35,000,000.00	34,977,440.34	35,314,650.00	337,209.66	693,004.59
2660	US TREASURY NOTE	1.250000	.840709	01/31/19	100.723000	39,000,000.00	39,354,117.28	39,281,970.00	-72,147.28	327,876.43
2540	FANNIE MAE	1.000000	1.041990	02/26/19	100.039000	100,000,000.00	99,904,159.58	100,039,000.00	134,840.42	1,041,989.97
2706	US TREASURY NOTE	1.625000	.960279	03/31/19	101.621000	100,000,000.00	101,580,861.58	101,621,000.00	40,138.42	960,279.19
2521	Royal BK Canada	1.625000	1.643864	04/15/19	99.987000	40,000,000.00	39,982,018.26	39,994,800.00	12,781.74	657,545.73
2614	WELLS FARGO BANK	1.750000	1.272829	05/24/19	100.389000	50,000,000.00	50,597,670.19	50,194,500.00	-403,170.19	636,414.58
2657	WELLS FARGO BANK	1.750000	1.405147	05/24/19	100.389000	25,000,000.00	25,215,682.74	25,097,250.00	-118,432.74	351,286.75
2532	US Treasury Note	1.500000	1.008230	05/31/19	101.375000	50,000,000.00	50,622,354.48	50,687,500.00	65,145.52	504,114.78
2709	US TREASURY NOTE	1.625000	.973093	06/30/19	101.707000	100,000,000.00	101,710,937.50	101,707,000.00	-3,937.50	973,093.39
2627	ROYAL BK CANADA	1.500000	1.539030	07/29/19	99.619000	50,000,000.00	49,947,945.20	49,809,500.00	-138,445.20	769,515.00
2608	TORONTO DOM BANK	1.450000	1.453116	08/13/19	99.556000	20,000,000.00	19,998,377.45	19,911,200.00	-87,177.45	290,623.29
2664	CAN IMPERIAL BK	1.600000	1.606170	09/06/19	99.987000	30,000,000.00	29,994,876.17	29,996,100.00	1,223.83	481,850.93
2693	US TREASURY NOTE	.875000	1.034103	09/15/19	99.652000	100,000,000.00	99,551,107.08	99,652,000.00	100,892.92	1,034,103.07
2695	US TREASURY NOTE	1.000000	1.000000	09/30/19	100.027000	100,000,000.00	100,000,000.00	100,027,000.00	27,000.00	1,000,000.00

KING COUNTY TREASURY OPERATIONS  
SEATTLE, WASHINGTON

P O R T F O L I O   D E T A I L   F I N A N C I A L   A N A L Y S I S  
AS OF 10/31/16

(MANFIN)

SORTING ORDER: MATD

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\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
2565	PNC BANK NA CALLAB	2.400000	1.830387	09/18/19C	102.128000	15,000,000.00	15,243,049.18	15,319,200.00	76,150.82	274,558.12
2568	PNC BANK NA CALLAB	2.400000	1.832954	09/18/19C	102.128000	5,000,000.00	5,080,649.05	5,106,400.00	25,750.95	91,647.70
2703	FANNIE MAE	1.000000	1.091132	10/24/19	99.646000	100,000,000.00	99,733,714.81	99,646,000.00	-87,714.81	1,091,132.43
2002	US BANK NA OHIO CA	2.125000	2.144078	09/28/19C	101.686000	25,000,000.00	24,986,556.65	25,421,500.00	434,943.35	536,019.57
2121	US BANK NA OHIO CA	2.125000	2.005089	09/28/19C	101.686000	20,000,000.00	20,067,245.63	20,337,200.00	269,954.37	401,017.89
2490	US Treasury Note	1.500000	1.432685	05/31/20	101.277000	100,000,000.00	100,232,368.54	101,277,000.00	1,044,631.46	1,432,685.42
695	FNR 2003-30 LB	5.000000	4.634180	03/25/32	107.639000	1,262,533.69	1,288,440.06	1,358,978.64	70,538.58	58,508.09
701	FNR 2003-33 PT	4.500000	4.255767	05/25/33	108.885000	1,754,590.50	1,780,026.90	1,910,485.87	130,458.97	74,671.28
702	FNR 2003-33 UP	4.500000	4.255767	05/25/33	107.685000	1,231,243.98	1,249,093.39	1,325,865.08	76,771.69	52,398.87
703	FNR 2003-33 PU	4.500000	4.255767	05/25/33	109.165000	1,572,409.80	1,595,205.11	1,716,521.16	121,316.05	66,918.10
G R A N D   T O T A L S		.866973	.850326	OCT 2017	100.208955	7,383,650,594.04	7,391,679,830.86	7,398,919,165.81	7,239,334.95	62,765,386.65
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## Victoria Recovery Status as of 10/31/2016

Original Cost	\$51,937,149
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Original Par	\$53,300,000	
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Less Accrued not distributed	\$420,537	
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Adjusted Par	\$52,879,463
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<b>Recovered to date</b>	<b>\$44,061,023</b>	<b>83.3%</b>
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Current Par Amount Outstanding	\$8,818,440
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Current Cost Outstanding	\$7,876,126
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### Cash Receipts:

	2008	\$7,990,692.29
	2009	\$6,910,588.46
	2010	\$5,443,668.21
	2011	\$7,793,105.01
	2012	\$4,820,226.87
	2013	\$3,388,703.17
	2014	\$3,696,981.20
	2015	\$2,778,796.49
	2016	\$1,238,260.83
	Total	\$44,061,022.53

**Impaired Pool  
Holdings Report  
10/31/2016**

Commercial Paper Issuer	Status	Current Book Value	Estimated Fair Value	Fair Value Adjustment
Cheyne Finance (1)	Restructured - Cash Out	787,502.14	507,750.00	279,752.14
Rhinebridge (1)	Restructured - Cash Out	84,407.60	84,407.60	-
Victoria Finance (VFNC Trust) (2)	Restructured - Receiving Monthly Cash Payments	8,818,440.47	5,391,063.00	3,427,377.47
<b>Total</b>		<b>9,690,350.21</b>	<b>5,983,220.60</b>	<b>3,707,129.61</b>

<b>Fair Value Ratio</b>	<b>0.6174</b>
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(1) After consulting with the County's financial advisor, the County choose to select the "cash out" option for the Cheyne and Rhinebridge restructurings. However, the Receivers for these programs held back a portion of the cash for various indemnifications. The fair values shown on this report represent the County's potential cash recovery from the amounts being retained by the Receivers. Rhinebridge may make one last small payment later this year.

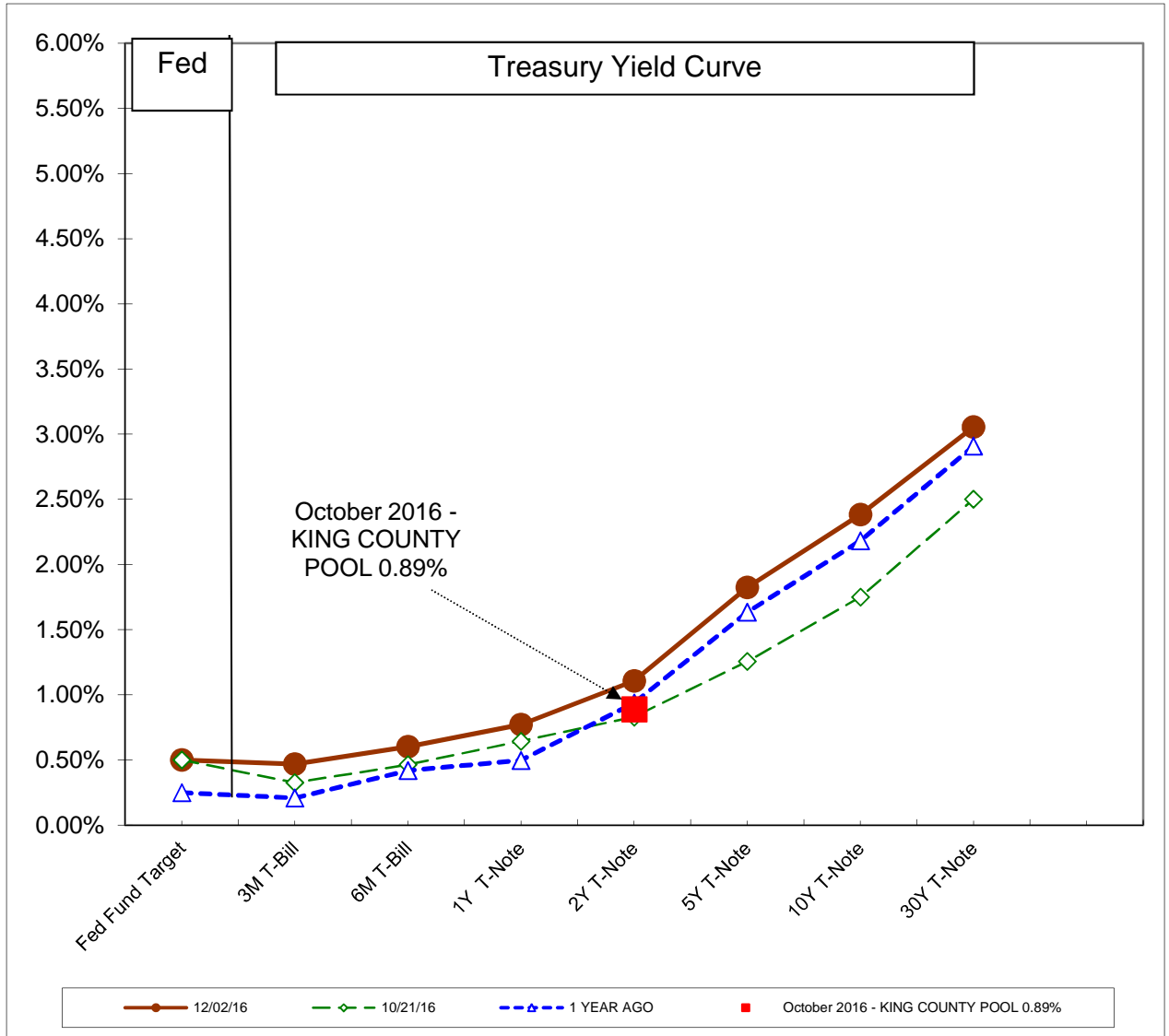
(2) During September 2009, the County completed the restructuring process for Victoria. Based on consultations with legal and financial experts, the County elected to participate in an "Exchange Offer" in which the County's pro rata share of assets in Victoria were transferred to a new company titled VFNC Trust. At the time of Victoria's restructuring the County's financial advisor estimated that by participating in the exchange offer that the overall recovery rate could be between 50 to 76 percent, and potentially higher. The VFNC Trust investment replaced Victoria in the "impaired pool" and it continues to make monthly cash distributions. It is expected that future monthly distributions will continue for at least 5 or 6 more years, or as long as the underlying securities continue to make cash payments. We do not foresee distributing any realized losses related to Victoria until it is apparent that no further cash flows will be forthcoming. Adding the cash recoveries through October and assuming that the asset could be sold at the assumed prices for the underlying securities, the current estimated total recovery would be approximately 94% of the original investment's adjusted par amount.

**Combined Earnings History for Impaired and Non-Impaired Pools**

	(A)	(B)	(A ) + (B)
	<i>Distributed Realized Gains/Losses Resulting from Impaired Investments Purchased in 2007 <sup>(3)</sup></i>	<i>Total Pool Earnings Distribution</i>	<i>Net Pool Earnings Distributed</i>
YTD 2016	\$189,049	\$40,476,603	<b>\$40,665,651</b>
2015	(\$427,263)	\$33,344,087	<b>\$32,916,824</b>
2014	\$0	\$26,330,761	<b>\$26,330,761</b>
2013	\$0	\$24,331,721	<b>\$24,331,721</b>
2012	(\$1,204,894)	\$25,978,721	<b>\$24,773,827</b>
2011	\$0	\$29,270,651	<b>\$29,270,651</b>
2010	\$0	\$42,160,462	<b>\$42,160,462</b>
2009	\$0	\$71,036,470	<b>\$71,036,470</b>
2008	(\$73,296,907)	\$135,838,883	<b>\$62,541,976</b>
2007	\$0	\$199,099,971	<b>\$199,099,971</b>
2006	\$0	\$165,576,358	<b>\$165,576,358</b>

(3) Figures have not been adjusted for recoveries from legal settlements.

# INTEREST RATE SUMMARY



	12/02/16	10/21/16	1 YEAR AGO
Fed Fund Target	0.50%	0.50%	0.25%
3M T-Bill	0.47%	0.33%	0.21%
6M T-Bill	0.60%	0.47%	0.42%
1Y T-Note	0.77%	0.64%	0.50%
2Y T-Note	1.11%	0.83%	0.94%
5Y T-Note	1.83%	1.26%	1.63%
10Y T-Note	2.38%	1.75%	2.18%
30Y T-Note	3.06%	2.50%	2.91%



## King County Executive Finance Committee

### Interfund Borrowing Report for EFC, Dec 7, 2016 (Oct-2016 period)

Below is a summary of the causes of the current deficit cash balances.

**Funds listed in Black have a description of the cause of the deficit; funds listed in Blue have an EFC-approved loan in place.**

**Items in Green have not yet been analyzed or needs to be revisited; items in Red appear unusual in nature and should be discussed during today's meeting.**

Interest on Interfund Loans - County Tier 2 Funds Paying Interest						
Item #	Fund No.	AVG Borrowed	Fund Name	Description		
E	A1	00-000-001-0	(43,970,986.19)	CURRENT EXPENSE SUB-FUND	Sep deficit carried over/tax revenues came in EOM (Balance @	
APPRV'D	A3	00-000-180-0	(14,459,299.43)	PUBLIC HEALTH	Approved interfund loan in place (up from -\$13M)	
Pooled Tier 1 Funds with Negative Cash Balances						
Item #	Fund No.	Lowest Cash	Average Cash	Fund Name	Description	
E	B1	00-000-106-0	(753,341.16)	(563,240.69)	VETERANS RELIEF	Pending tax receipts and usage reimbursements
F	B2	00-000-121-0	(2,064,059.98)	(1,263,215.98)	SHARED SERVICES FUND	Pending transfer from 121-1
B	B3	00-000-156-1	(2,041,672.18)	(1,644,613.73)	KC FLD CNTRL OPR CONTRACT	Reimbursement from District has long approval process
B	B4	00-000-316-0	(381,085.84)	(223,160.45)	FMD-PARKS,REC,OPEN SPACE	Pending transfer of taxes from special revenue fund
B	B5	00-000-349-0	(886,059.04)	(774,420.74)	FMD - PARKS FACILITIES REHAB	Pending revenue transfer
A	B6	00-000-357-1	(2,420,224.37)	(1,111,503.47)	KC FLD CNTRL CAP CONTRACT	Reimbursement from District has long approval process
F	B7	00-000-361-2	(569.00)	(30.16)	WTD INTERNALLY FINANCED PROJECTS	Pending transfer from WTD Operating fund
APPRV'D	B8	00-000-390-1	(1,908,867.40)	(656,933.58)	SOLID WASTE CONSTRUCTION	Approved bridge loan in place
APPRV'D	B9	00-000-395-1	(4,324,575.63)	(3,607,949.21)	BLDG REPAIR/REPL SUBFUND	Approved interfund loan in place + pending revenue collections
B	B10	00-000-404-1	(44,296.94)	(13,189.66)	CONSTRUCTION AND DEMO PROGRAM	Pending transfers from operating fund
	B11	00-000-547-1	(233.58)	(203.44)	OIRM OPERATING FUND	Posting error - corrected in Oct.
Excluded County Funds with Negative Cash Balances - Tier 2 Funds Not Paying Interest						
Item #	Fund No.	Lowest Cash	Average Cash	Fund Name	Description	
B	C1	00-000-216-9	(25,353.48)	(23,551.80)	WA ARCHIVES LOC REC GRANT	Pending grant reimbursement
B	C2	00-000-246-0	(4,368,173.82)	(3,054,727.66)	FED HOUSNG & COMM DEV FND	Pending grant reimbursement
F	C3	00-000-554-0	(18,081,501.18)	(223,324.16)	PAYROLL REVOLVING	Trf of benefits liability made prior to funding. Cash positive @ EOM
F	C4	00-000-670-0	(3,342,652.14)	78,649,202.90	UNDISTRIBUTED TAXES	Timing difference at EOM
D	C5	00-000-699-0	(23,873.80)	(9,192.25)	ASSMT DISTRIBTN / REFUND	Pending special distribution

A: Reimbursement funds - reimbursements are collected periodically from

B: Reimbursement funds - pay expenditures first, get reimbursed later, in

C: Subfund cash transfers - different subfunds within one Agency

D: Known accounting or cash transfer error

E: Anticipated seasonality of receipts

F: Timing issue of receipts and disbursements

A: Reimbursement funds - reimbursements are collected periodically from  
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C: Subfund cash transfers - different subfunds within one Agency  
D: Known accounting or cash transfer error  
E: Anticipated seasonality of receipts  
F: Timing issue of receipts and disbursements

Thanks - if you have questions please contact me at [manny.cristobal@kingcounty.gov](mailto:manny.cristobal@kingcounty.gov)

# Interfund Loans to District & Non-County Funds

October 2016

## District Interfund

District	District Descriptions	Average	Average Cash	Total Borrowed	
60013010	SEATTLE SCH CAP PROJ FUND	(\$932,418.83)	\$5,357,027.89	(\$4,662,094.16)	<= Timing Issue
64048400	SKYKOMISH SCH LTD GO BOND	(\$0.01)	(\$0.01)	(\$0.31)	<= Not Material
64053010	BELLEV SCH CAP PROJ FUND	(\$14,713,988.81)	(\$14,713,988.81)	(\$456,133,653.12)	<= Corrected Issue
64148400	LAKE WA SD414 LTD GO BOND	(\$300.00)	(\$77.42)	(\$2,400.00)	<= Contacted District
64150010	KENT SCH GENERAL REG FUND	(\$2,099,031.63)	\$1,597,864.51	(\$31,485,474.46)	<= Timing Issue
64158400	KENT SD #415 LT TAX GO	(\$167.79)	(\$36.18)	(\$1,174.53)	<= Corrected Issue
70450020	BOTHELL LIFT REV	(\$1.55)	\$3.69	(\$7.75)	<= Non-District Fund
70458510	BOTHELL G O BOND FUND	(\$120.29)	\$9,491.83	(\$120.29)	<= Non-District Fund
71640020	FEDERAL WAY LIFT REV	(\$0.84)	(\$0.44)	(\$20.27)	<= Non-District Fund
72608510	ISSAQUAH G O BOND FUND	(\$46.75)	\$42,083.82	(\$46.75)	<= Non-District Fund
73690010	MILTON GENERAL TAX REG T	(\$79.52)	\$3,213.82	(\$318.10)	<= Non-District Fund
75451190	SEATTLE EMS TAX FUND	(\$6,883.79)	\$1,147,129.19	(\$6,883.79)	<= Non-District Fund
75458510	SEATTLE GO BOND FUND	(\$1,780.32)	\$719,839.28	(\$1,780.32)	<= Non-District Fund
75548510	CT OF SNOQUALMIE GO BD	(\$14.93)	\$5,548.07	(\$14.93)	<= Non-District Fund
91043020	WATER 104 CIP 2012	(\$0.04)	(\$0.04)	(\$1.24)	<= Not Material
91273010	WATER 127 CONSTRUCTION	(\$8.68)	\$2,323.37	(\$164.92)	<= Corrected Issue
100118400	FD #11 LTD GO BOND	(\$300.00)	(\$77.42)	(\$2,400.00)	<= Corrected Issue
220010010	DIRECTORS ASSOCIATION	(\$340,503.58)	\$1,874,606.44	(\$1,702,517.90)	<= Timing Issue
Report Total:		(\$18,095,647.36)	(\$3,955,048.41)	(\$493,999,072.84)	

## DEFINITIONS

Total Borrowed

Sum of all daily ending negative cash balances for a fund in a particular month.

Average Borrowed

Total borrowed by a fund divided by the number of days in a particular month that the fund had a negative ending balance.

Average Cash Balance

Sum of all ending cash balances (positive & negative) for an entire month divided by the number of days in that month.



**Interfund Borrowings from Surplus King County Cash (Automated System)**  
10/31/16

Borrowing Entity	Borrowing Fund Number	Fund Name	Reason For Loan & Repayment Method	Loan Amount Authorized	Fund Balance at Month-end	Average Amount Borrowed	Interest Paid in Current Month	Term of Loan	Loan Rate	Lending Entity	Date of EFC Approval
King County	00-000-1030	County Road Fund	Interim funding to continue operating programs. Repayment from property tax collections.	Original Loan \$20,000,000 Revised Amt: \$35,000,000 Revised Amt: \$30,000,000 Revised Amt: \$25,000,000	\$24,795,323	\$0	\$0	1/31/2011 12/31/2011 12/31/2013 12/31/2014 12/31/2016	Pool Rate	King County Surplus Cash	7/28/2010 1/26/11 12/7/11 12/5/12 12/4/13 12/3/14
King County	00-000-1341	DPER Abatement Sub-Fund	Clean-up construction materials at processing center on MLK Way South. Repayment from sale of property	Original Loan \$400,000	\$213,424	\$0	\$0	12/31/2018	Pool Rate	King County Surplus Cash	6/24/2015
King County	00-000-1800	Public Health Fund	Unmatched reimbursements. Repayment from grant billings, grantor payments, and environmental health permit payments.	Original Loan \$12,000,000 Revised Amt: \$19,000,000 Revised Amt: \$26,000,000 Revised Amt: \$30,000,000 Revised Amt: \$40,000,000	(\$9,484,454)	\$14,459,299	\$10,930	7/31/2013 10/31/2013 4/30/14 1/31/2015 1/28/2015 12/31/16	Pool Rate	King County Surplus Cash	5/22/13 7/24/13 12/4/13 5/28/14 12/26/14 1/28/15 12/2/15
King County	00-000-3781	KCIT Capital Fund	Fill gap for Mainframe and Unified Communication project not fully covered by bond proceeds.	Original Loan \$5,2000,000	\$7,257,372	\$0	\$0	12/31/2019	Pool Rate	King County Surplus Cash	6/25/2014
King County	00-000-3850	Road Facilities Construction	Advance payments required for Summit Pit sale. Repayment from Summit Pit property sale proceeds.	Original Loan \$5,000,000 Revised Amt: \$7,000,000 Revised Amt: \$10,000,000 Revised Amt: \$4,000,000	\$15,618,452	\$0	\$0	1/31/2011 12/31/2011 12/31/2012 12/31/2014 12/31/2016	Pool Rate	King County Surplus Cash	7/28/2010 1/26/11 12/7/11 12/5/12 2/27/13 12/4/13 12/3/14
King County	00-000-3860	Road's Capital Construction	Provide uninterrupted funding for capital improvement program. Repayment from property tax receipts and Seattle South Park Bridge project.	Original Loan \$30,000,000 Revised Amt: \$15,000,000 Revised Amt: \$20,000,000	\$23,085,391	\$0	\$0	1/31/2011 12/31/2011 12/31/2012 12/31/2014 12/31/2016	Pool Rate	King County Surplus Cash	7/28/2010 1/26/11 12/7/11 12/5/12 12/3/14
King County	00-000-3901	SWD Construction Fund	Bridge loan until bonds can be issued.	Original Loan \$15,000,000	(\$1,908,327)	\$656,934	\$496	6/30/2017	Pool Rate	King County Surplus Cash	8/24/2016
King County	00-000-3951	Building Repair & Replacement Fund	Support Phase 2 of King Street Center work space consolidation. Repayment from lease payments.	Original Loan \$2,275,600 Revised Amt \$4,976,000	(\$4,324,576)	\$3,607,949	\$2,722	12/31/2020	Pool Rate	King County Surplus Cash	5/27/2015 1/27/16
King County	00-000-5531	KCIT Services Fund	Establish an escrow account for data center bond defeasance. Repayment from existing KCIT rates.	Original Loan \$8,100,000	\$30,733,442	\$0	\$0	12/31/2023	Pool Rate	King County Surplus Cash	2/24/2016
King County	10-063-0010	Renton Regional Fire Authority	The RRFA is a newly established entity and will incur expenses prior to initial tax and FBC collections.	Original Loan \$5,170,000	\$2,078,485	\$0	\$0	12/31/2018	Pool Rate	King County Surplus Cash	9/28/2016

**Interfund Borrowings (Direct Loans)**  
10/31/16

Borrowing Entity	Borrowing Fund Number	Fund Name	Reason For Loan & Repayment Method	Loan Amount Authorized	Loan Outstanding at Month-end	Fund Balance At Month-end	Interest Paid	Term of Loan	Loan Rate	Lending Entity	Date of EFC Approval
King County	00-000-2140	Miscellaneous Grants Fund	Cash flow. Future grant reimbursement.	\$700,000	\$300,000	\$2,717,466	\$0	Open	0%	King County General Fund	11/26/1975
King County	00-000-3160	Parks and Recreation Open Space Construction Fund	Borrowing is necessary to fulfill the legislative intent of Ordinance 17759 - a use agreement with the Ravensdale Park Foundation. Repayment from REET II revenue.	\$1,475,000	\$475,000	\$590,209	N/A	12/31/2017	Pool Rate	Parks and Recreation Fund (1451)	3/26/2014